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ALBUQUERQUE BUSINESS CLIMATE: A Comparative View

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ACKNOWLEDGEMENTS

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INTRODUCTION

Many business leaders and politicians place considerable emphasis on an area's "business climate" as being an important factor influencing economic growth and prosperity. Clearly, all are concerned with creating new jobs, reducing unemployment, and providing income opportunities. By attracting new industries and assisting expanding ones, an attempt is made to expand the fiscal base and diversify the economy. There is, however, no consensus on what constitutes a good business climate. It is an ambiguous term having a different meaning depending on whom one asks. Generally, the concept is associated with such factors as the attitude of government toward business, a quality and motivated work force and such concerns as unionization and right-to-work laws. In recent years it has been interpreted as a rating index of a location's relative attractiveness for economic activity. Such indexes are generally made up of several "business climate" variables such as tax rates, labor factors, market characteristics and quality of life measures.

Table 1 provides a summary of such business climate rankings for selected western states during 1975, 1980, and 1984. Although not strictly comparable because the studies consider different business factors and utilize dissimilar methodologies, some observations can be made about the findings. Of the eight western states listed, Utah is consistently ranked high while California is deemed to have the worst business climate.

Table 1

Business Climate Rankings
(1=highest ranked state)

State	1984	1980	1975
Arizona	12	23	16
California	25	45	47
Colorado	15	16	18
New Mexico	29	17	23
Nevada	17	34	32
Oklahoma	23	15	21
Texas	16	18	1
Utah	5	10	10

Source: General Manufacturing Business Climates of the Forty-Eight Contiguous States of America, Alexander Grant and Co. (1980, 1984) and Comparative Business Climate Study, Fantus Company (1975).

It is interesting to note that the 1975 Fantus Study considers Texas to have the best business climate while the 1980 Alexander Grant Study rates the state only 18th best. Did such a decline in Texas' business climate actually occur in this five year period? Most likely not. The divergent rankings are the result of the difference in methodology between the Fantus and Alexander Grant studies. Other limitations of state-by-state business climate comparison studies are also evident. Is it really relevant to compare the outlook for business success at the state level? Such an aggregate approach would have one believe that Las Cruces or Santa Fe would have the same business climate as Albuquerque. In addition to the failure to account for intrastate differences, questions can be raised about the meaningfulness of comparing a state like California (with over 25 million people) to a smaller, less metropolitan state like New Mexico (with almost 1.5 million people). Limitations with such aggregate comparisons have led us to look at the "business climate" question in an alternative manner.

The approach we follow is to present a comparative view of factors influencing the costs of economic activity at a more disaggregated level, the metropolitan area. The ten urban areas included in this study are Albuquerque, Austin, Colorado Springs, El Paso, Las Vegas, Sacramento, Salt Lake, San Antonio, Tucson and Tulsa. These metropolitan areas were included in this study because they were thought to be comparable to each other and have been competitive in the effort to attract new business. In this report, the Albuquerque Metropolitan Area is defined to be Bernalillo County (unless noted otherwise).

This report focuses on providing economic and comparative cost information for these communities. These cost factors fall under the general headings of population/employment, wages, cost of living, taxes, education and the quality of life. This list is by no means comprehensive, yet it includes some of the most significant factors impacting the business location decision.

It is also worth noting that in this study, we only consider quantifiable factors which are thought to impact economic growth. Although extremely important, qualitative factors such as the "government concern for business", the "pro-business sentiment of the community" and so forth will not be considered in this analysis. These measures are clearly subjective in nature and difficult to obtain from a common source for all the communities included in the study.

In some tables of this report, data are presented only at the state level. The comparison states are those in which the ten metropolitan areas are located. This was done for one of two reasons. First, data were not available for the comparison urban areas or secondly, the data available for the metropolitan areas was not altogether meaningful. This second reason was especially important with regards to taxes and education. Due to state support for education and its dominant taxing role, meaningful comparisons can only be made on a state by state basis.

SUMMARY OF FINDINGS: ALBUQUERQUE BUSINESS CLIMATE

The following section presents major findings of this study on Albuquerque's (or in some cases New Mexico's) business climate. As indicated, Albuquerque was compared to nine other communities; Austin, Colorado Springs, El Paso, Las Vegas, Sacramento, Salt Lake City, San Antonio, Tucson and Tulsa. When data were only available at the state level, New Mexico was compared to Arizona, California, Colorado, Nevada, Oklahoma, Texas and Utah.

Population/Employment

- 1) Of the ten metropolitan areas, Albuquerque experienced the smallest annual percent increase in population during 1980-84.
- 2) Albuquerque's per capita income, just shy of the U.S. average, rated 5th highest among these metropolitan areas.
- 3) Albuquerque's employment growth rate of 6.8 percent during 1983-84 placed the metropolitan area 5th among these urban areas.
- 4) The area's unemployment rate during 1984 was 6.5 percent compared to the U.S. average of 7.5 percent.

Wages

- 1) The average hourly manufacturing wage in New Mexico during 1984 is the lowest, yet increased the fastest among the eight comparison states.
- 2) Of five metropolitan areas with available data, Albuquerque has the 2nd lowest average hourly manufacturing wage.
- 3) As for wages in other sectors, Albuquerque generally falls in the middle among these comparison areas. Some exceptions to this average ranking is the pay level for janitors and managers (below average) and for secretaries and engineers (above average).
- 4) Albuquerque placed in the middle relative to the other communities with regards to average annual pay.
- 5) New Mexico is one of four comparison states without a right-to-work law. The share of New Mexico's work force which is unionized held steady in the 1970-80 period.

Cost of Living

1) The overall cost of living index for Albuquerque, as published by the American Chamber of Commerce, is slightly above the U.S. average.

2) Average housing prices in 1980 placed the Albuquerque SMSA in the middle relative to the other areas yet above the U.S. average. For housing within the city limits, Albuquerque ranks third highest among these communities. More recent data (1985) for specialty homes establishes Albuquerque as the 3rd cheapest community for housing.

3) Albuquerque experienced noticeable improvement in electricity costs during the 1980-84 period, dropping from the most expensive to an average cost community.

4) The typical residential gas customer in Albuquerque during 1986 paid a lower gas bill than most western utility customers.

5) New Mexico hospital patients paid the 4th highest hospital room charges in 1984 among the eight comparison states.

Taxes

1) Relative to other western states, New Mexico is least dependent on taxes as a source of general revenue.

2) Albuquerque places 2nd highest in its reliance upon federal and state funds as a share of city general revenues.

3) Tax collection in New Mexico is the most centralized of all the comparison states.

4) The principle sources of tax revenue in New Mexico are the gross receipts tax and severance taxes. For Albuquerque the main sources are property and gross receipts taxes.

5) New Mexicans shoulder the 2nd highest tax burden among the eight states if severance taxes are included (based on 1983-84 data) but the 3rd lowest if severance taxes are excluded.

6) New Mexico ranks 1st in the per capita burden of its gross receipts tax.

7) Corporate income tax collected per employee in New Mexico during 1984 was 3rd highest among these states yet below the U.S. average. Neither Texas nor Nevada levy a corporate or individual income tax.

8) New Mexico's personal income tax burden is the lowest among those comparison states with a state income tax.

9) Albuquerque placed 3rd highest in its per capita property tax relative to the other cities. However, New Mexico's taxpayers had the lowest property tax burden.

10) The overall tax burden of a married couple living in Albuquerque was the 2nd lowest compared to a similar couple living in one of eight major western cities.

Education

1) Of the eight comparison states, New Mexico spent the most (on a per-capita or per \$1000 personal income basis) for all education in 1983-84.

2) New Mexico has the highest proportion of funding for public schools coming from state government.

3) New Mexico spent the most (on a per capita or per \$1000 personal income basis) for public schools.

4) Albuquerque Public Schools (APS) had the highest expenditure per-pupil of ten comparison school districts based on 1981-82 data.

5) APS had the 2nd lowest pupil-teacher ratio among eight school districts while data available for New Mexico as a whole indicate the state rated 4th best among eight comparison states.

6) New Mexico allocates the 2nd most per-student for higher education among eight western states.

7) New Mexico has the smallest share of higher education students in two-year colleges. This is important since it costs more than twice as much to educate students in four-year colleges.

8) New Mexico college students paid the 4th lowest tuition of all public institutions in the U.S. during 1984-85.

9) Taking into account New Mexico's expensive higher education system (a lot of students in four-year colleges), the state's support for higher education declines from 1st to 5th among these eight western states.

10) The University of New Mexico ranks slightly below average among research institutions in the country in the quality of its physical science and engineering programs. The departments that rank highest in various rating surveys are Physics, Geology, Anthropology, Latin American Studies, American Studies, Art, Art History and Spanish.

Quality of Life

1) Albuquerque, overall, is considered to have the best quality of life among these ten comparison communities ("Places Rated," 1985). Nationally, Albuquerque ranks 21st. Good points for Albuquerque are its climate, medical care, education, arts and recreation.

2) Albuquerque places 4th in the percent of persons in poverty and in the percent of owner-occupied homes. However, the area ranks 2nd highest in its divorce and suicide rate (behind Las Vegas).

3) As for medical care, Albuquerque has the 2nd most doctors per capita among these cities.

4) On educational achievement, Albuquerque places 4th in the percent of adults with high school diplomas and 2nd in the percent of adults with four years or more of college education.

5) The Albuquerque Metropolitan Area has the 3rd highest crime rate (after Las Vegas and Tucson).

6) In the transportation area, Albuquerque International is the 4th busiest airport among these cities. Based on 1980 data, residents of Albuquerque have the 2nd shortest commute to work.

7) Albuquerque has the worst air quality problem (based on 1982-83 EPA pollution data) of these cities.

8) Compared to these other cities Albuquerque has a relatively cooler climate year round, supplemented by low humidity and precipitation.

9) Although difficult to measure, Albuquerque ranks relatively well in the cultural amenities (such as the number of museums, library expenditures and the number of radio stations) available to its residents.

10) In recreation, Albuquerque places second among these communities in expenditures on parks and recreation. As for other recreational opportunities, Albuquerque seems to do well in the provision of spectator events, golf courses, restaurants and forest/park land but less well for water recreation.

POPULATION, INCOME AND EMPLOYMENT DATA

1. CITY AND METROPOLITAN AREA POPULATION
2. PER CAPITA INCOME
3. EMPLOYMENT BY SECTOR
4. EMPLOYMENT GROWTH AND UNEMPLOYMENT RATES

POPULATION COMPARISON

Area	Metropolitan Area Population (000)		City Population (000)	Average Annual Growth Rate In Metropolitan Areas		
	1984	1980		1980-1984	1970-1980	1960-1970
Albuquerque	449.4	420.3	350.6	1.7	3.6	2.1
Austin	645.4	536.7	397.0	5.1	4.9	3.5
Colorado Sps.	349.1	309.4	247.7	3.2	3.3	6.4
El Paso	526.5	479.9	463.8	2.4	1.4	3.4
Las Vegas	536.5	463.1	183.2	4.0	7.0	11.5
Sacramento	1219.6	1099.8	304.1	2.7	2.6	2.9
Salt Lake	1025.3	910.2	164.8	3.2	3.3	2.2
San Antonio	1188.5	1072.1	842.8	2.7	2.1	2.1
Tucson	594.8	531.4	365.4	3.0	5.1	3.2
Tulsa	725.6	657.2	374.5	2.6	2.6	1.6

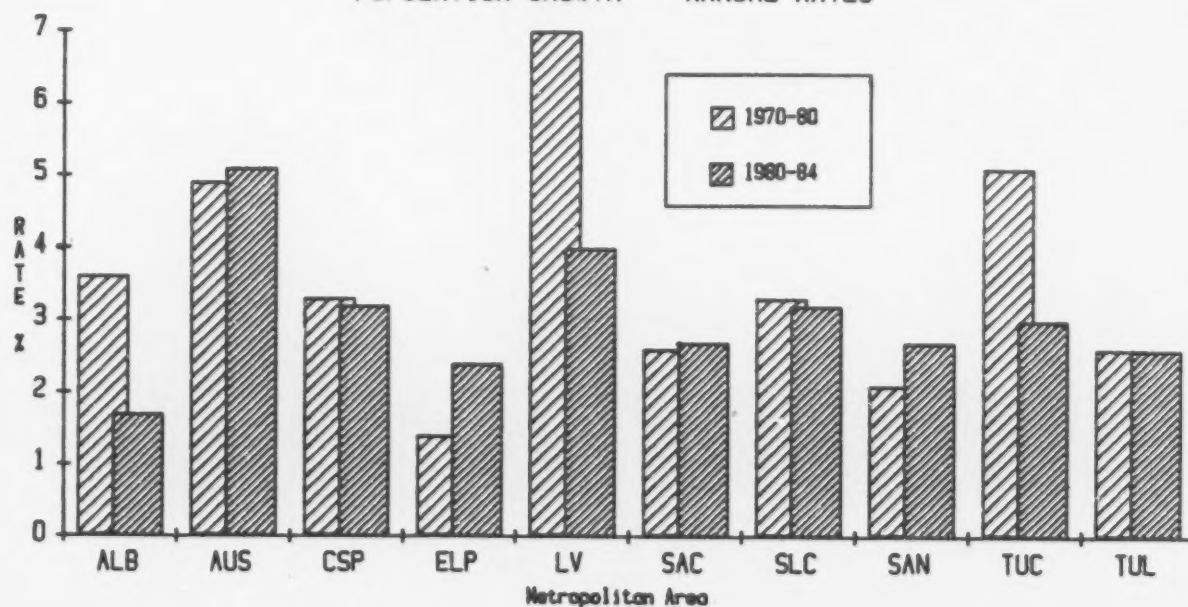
Source: U.S. Department of Commerce, Bureau of Census.

Data is based on the SMSA definition for 1960-1970 and 1970-1980 and the MSA definition for the 1980-1984 growth rate.

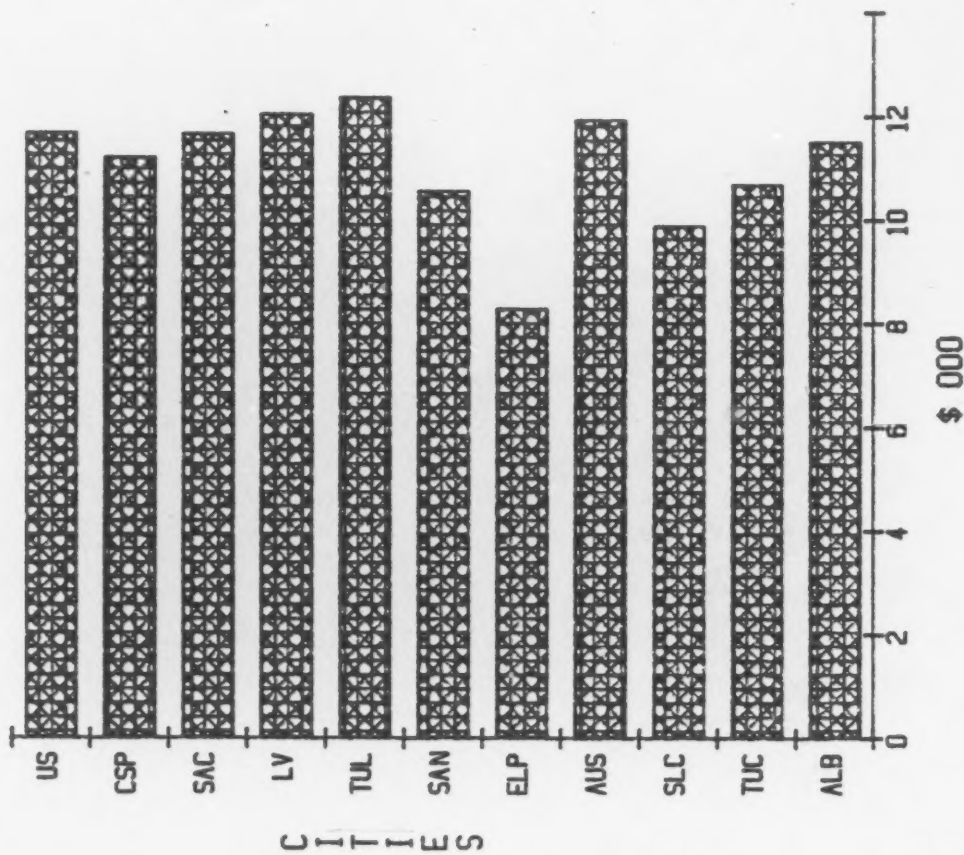
The Albuquerque Metropolitan Area had an estimated 449,400 people in 1984. The metropolitan areas in this comparative study range in population from 349,100 in Colorado Springs to 1,219,600 in Sacramento, California. San Antonio is the most populated city included in the study.

Albuquerque's annual average population growth of 1.7 percent in the 1980-84 period was only half the areas growth rate of the 1970's and was the lowest of any of the urban areas. Austin, Texas experienced the fastest growth rate in the most recent period.

POPULATION GROWTH -- ANNUAL RATES



PER CAPITA INCOME COMPARISON



1983 PER CAPITA PERSONAL INCOME DATA

MSA	Income (\$)	Percent of U.S. Average
Albuquerque	11,520	99
Tucson	10,694	92
Salt Lake	9,892	85
Austin	11,937	102
El Paso	8,290	71
San Antonio	10,569	90
Tulsa	12,381	106
Las Vegas	12,052	103
Sacramento	11,676	100
Colorado Springs	11,218	96
U.S.	11,687	100

Source: U.S. Department of Commerce,
Bureau of Economic Analysis

In 1983, Albuquerque's per capita income was slightly less than the U.S. average. Of the 10 comparison cities, Tulsa, Oklahoma had the highest per capita income; El Paso, Texas, the lowest.

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EMPLOYMENT COMPARISON

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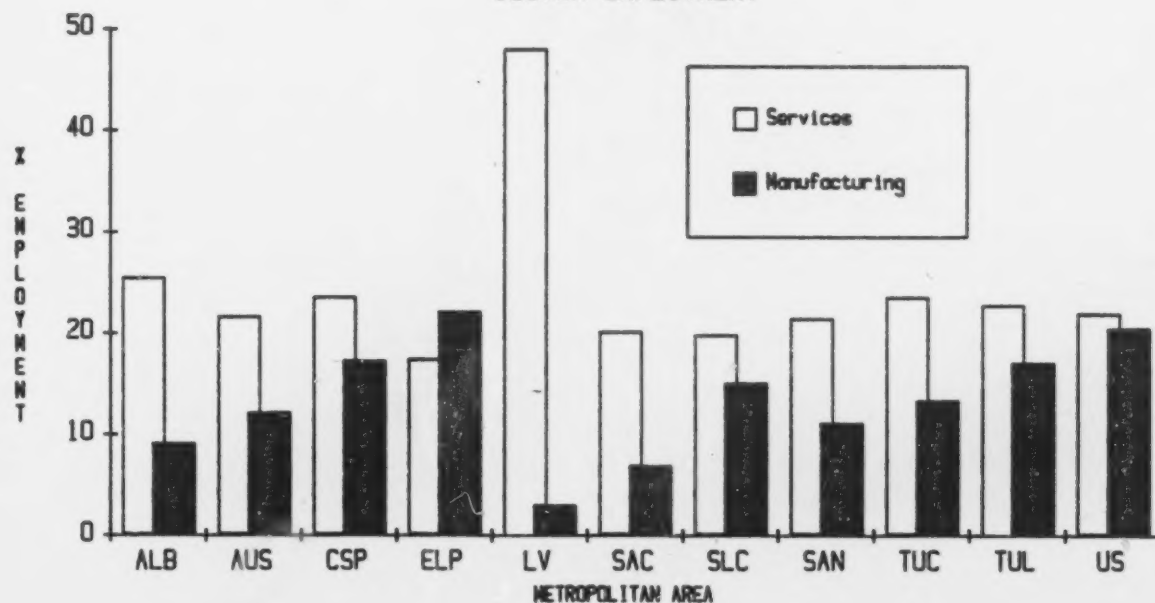
1984 EMPLOYMENT DATA

Metropolitan Area	Total Nonagricultural Employment (000)		1984 Percent Sector Employment								1984 Average Unemployment Rate
	1983	1984	MINING	CONST	MFG	TCU	TRADE	FIRE	SERVICES	GOVT	
Albuquerque	195.0	208.2	0.1	7.3	9.2	5.9	25.4	6.0	25.5	20.7	6.5
Austin	291.3	325.7	0.3	7.7	12.3	2.7	21.9	6.8	21.7	26.6	3.3
Colorado Sps.	123.8	134.1	0.2	7.5	17.4	4.1	23.0	5.3	23.6	18.9	5.5
El Paso	165.1	170.9	0.2	5.3	22.2	5.7	23.7	4.9	17.5	20.5	9.8
Las Vegas	226.8	239.7	0.2	5.7	3.1	5.9	20.5	4.8	48.1	11.7	8.5
Sacramento	436.4	465.3	0.2	5.0	7.0	5.0	24.5	5.7	20.2	32.4	8.3
Salt Lake	391.9	415.5	1.1	5.5	15.2	6.9	24.9	5.8	19.9	20.7	6.0
San Antonio	436.3	458.6	0.8	7.5	11.2	3.9	26.0	7.4	21.5	21.6	4.9
Tucson	197.3	214.0	1.6	8.5	13.5	4.2	22.1	4.7	23.6	21.9	4.4
Tulsa	295.1	298.0	7.1	5.0	17.2	6.9	24.2	5.8	22.8	11.1	5.5
US	90196.0	94461.0	1.0	4.6	20.6	5.5	23.4	6.0	22.0	16.9	7.5

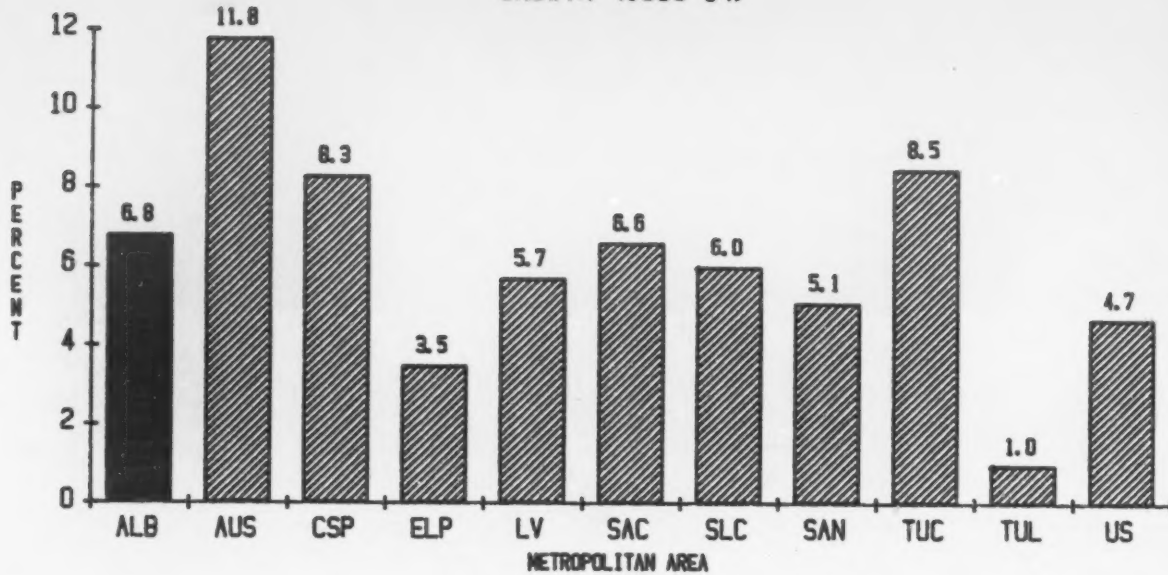
Source: Employment and Earnings (May 1985), U.S. Dept. of Labor, Bureau of Labor Statistics and Colorado Department of Labor and Employment.

The Albuquerque economy is dominated by services and trade employment. Manufacturing accounts for only 9.2 percent of employment. Of the comparison cities, only El Paso has a higher proportion of manufacturing jobs than the U.S. average.

SECTOR EMPLOYMENT



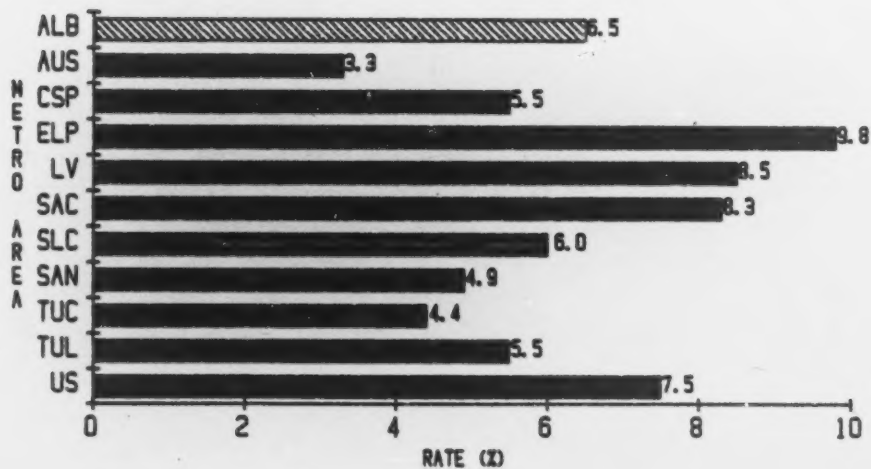
TOTAL NONAGRICULTURAL EMPLOYMENT GROWTH (1983-84)

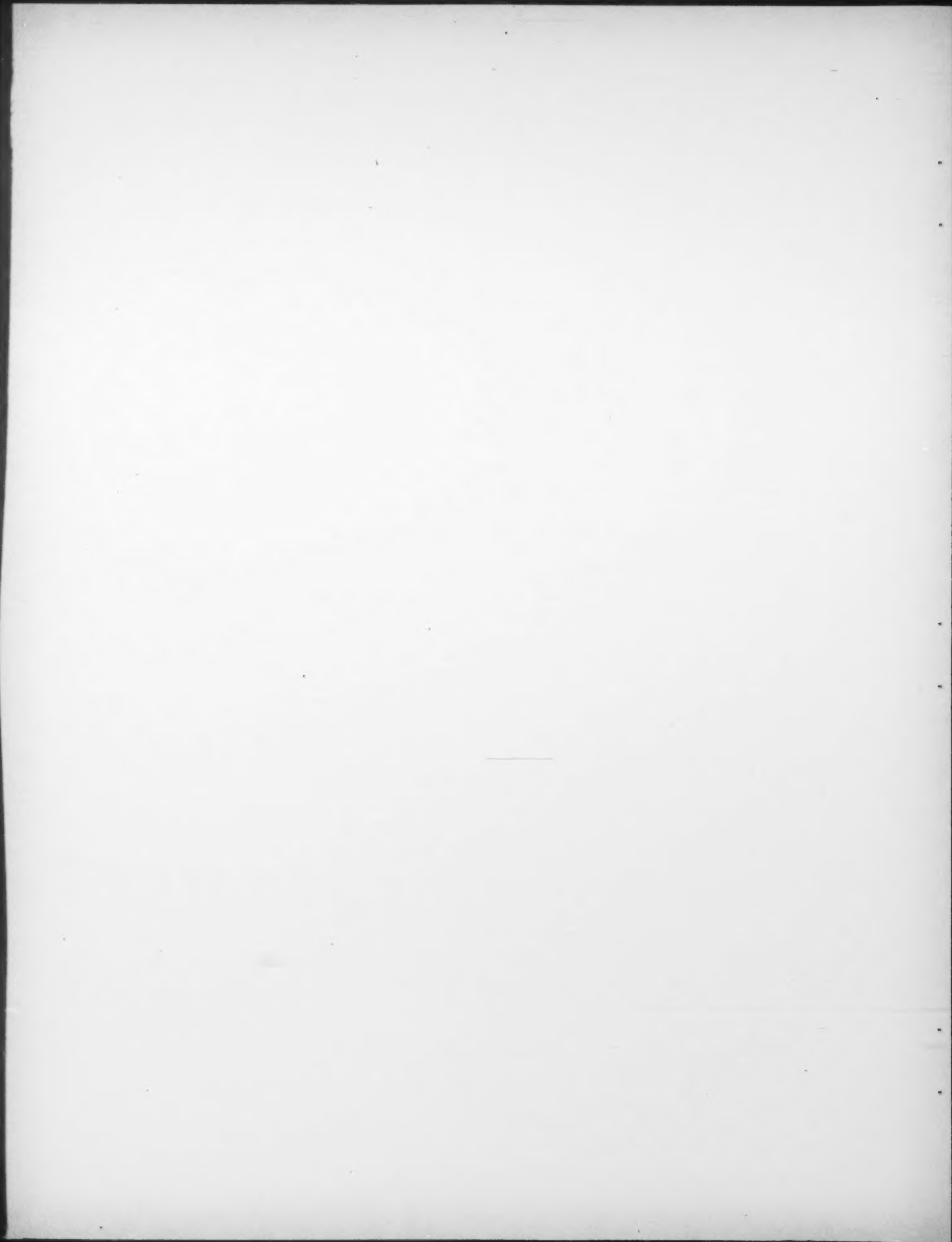


Albuquerque's employment growth in the 1983-1984 period exceeded the national average. However, employment growth in Albuquerque trailed such regional competitors as Austin, Colorado Springs and Tucson.

With regards to the unemployment rate, Albuquerque's 1984 rate of 6.5 percent was less than the U.S. average of 7.5 percent. Of the comparison cities, El Paso experienced the highest unemployment rate; Austin, the lowest.

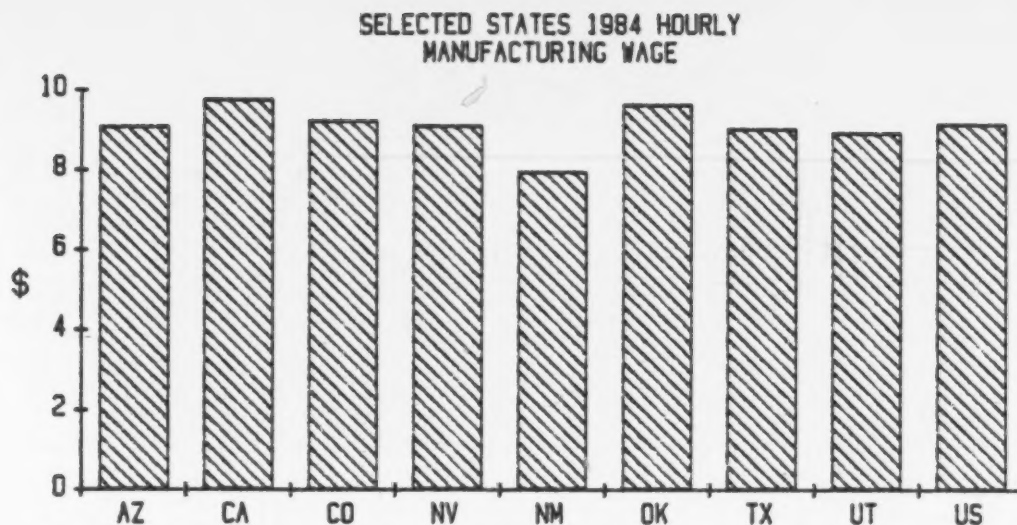
UNEMPLOYMENT RATE (1984)





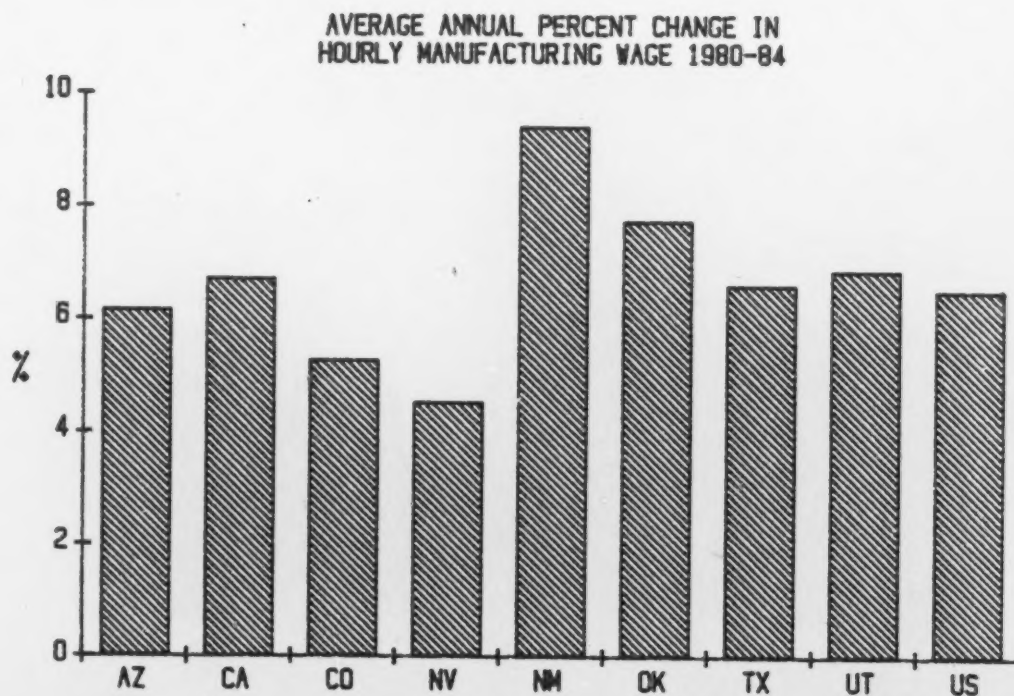
WAGE COMPARISON AND UNIONIZATION

1. MANUFACTURING WAGES
2. OCCUPATIONAL WAGES-- AREA WAGE SURVEY
3. OCCUPATIONAL WAGES-- CENSUS DATA
4. AVERAGE ANNUAL PAY
5. UNIONIZATION

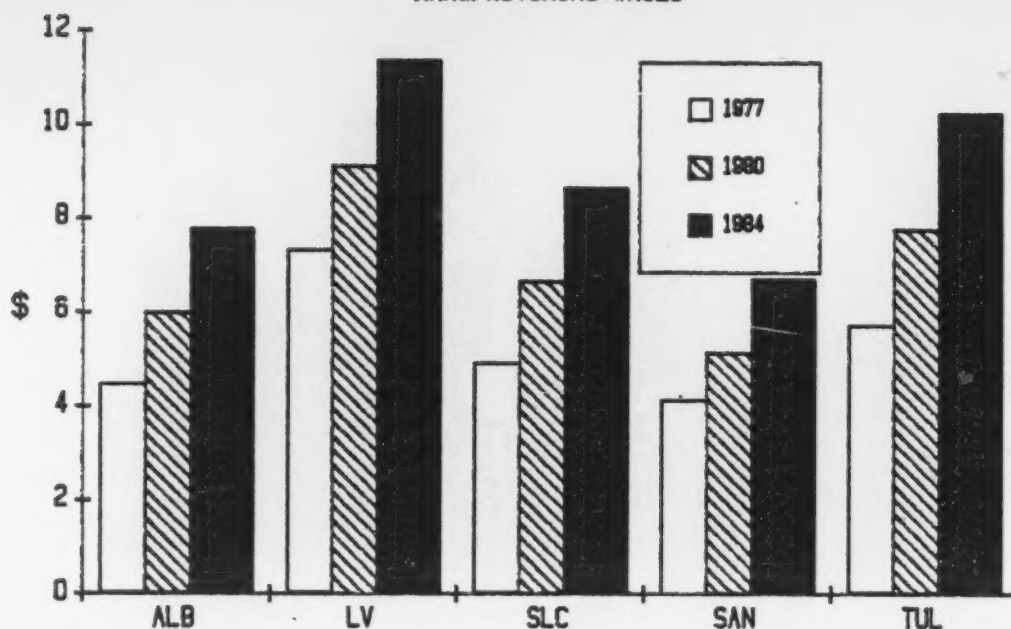


Of eight western states, New Mexico manufacturing employees received the lowest average hourly wage. In Utah, with the second lowest wage, workers received over a \$1/hr. more than New Mexico employees. California had the highest wage in the region.

With regards to the change in wages over time, New Mexico experienced the sharpest increase in the 1980-1984 period when compared to regional states.



SELECTED CITIES HOURLY MANUFACTURING WAGES

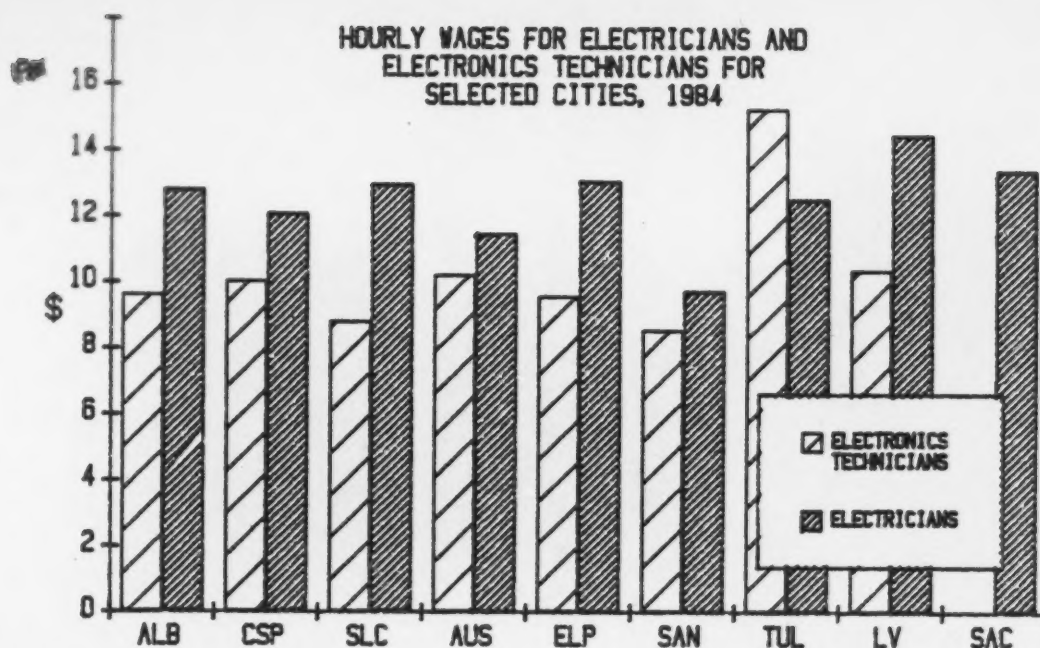


HOURLY MANUFACTURING WAGE DATA

State	Wages (\$/Hr.)			Average Annual Percent Change	
	1977	1980	1984	1977-84	1980-84
Arizona	5.55	7.29	9.09	9.11	6.17
California	6.00	7.70	9.77	8.98	6.72
Colorado	5.80	7.63	9.24	8.47	5.28
Nevada	6.10	7.72	9.12	7.07	4.53
New Mexico	4.43	5.79	7.97	11.42	9.41
Oklahoma	5.31	7.36	9.64	11.65	7.74
Texas	5.42	7.15	9.04	9.54	6.61
Utah	5.18	7.02	8.95	10.40	6.87
MSA					
Albuquerque	4.49	6.00	7.80	10.53	7.50
Las Vegas	7.33	9.12	11.37	7.87	6.17
Salt Lake	4.93	6.67	8.66	10.81	7.46
San Antonio	4.15	5.15	6.72	8.65	7.62
Tulsa	5.73	7.79	10.26	11.29	7.93
U.S.	5.68	7.27	9.17	9.78	6.53

Of the cities for which data is available, San Antonio has the lowest manufacturing wage while the Las Vegas area has the highest. Albuquerque ranks second lowest among the comparison cities. In the 1977-84 period, the five cities have maintained their relative ranking.

Source: U.S. Department of Labor, Bureau of Labor Statistics.
Hourly Manufacturing wage data was not available for all comparison cities.

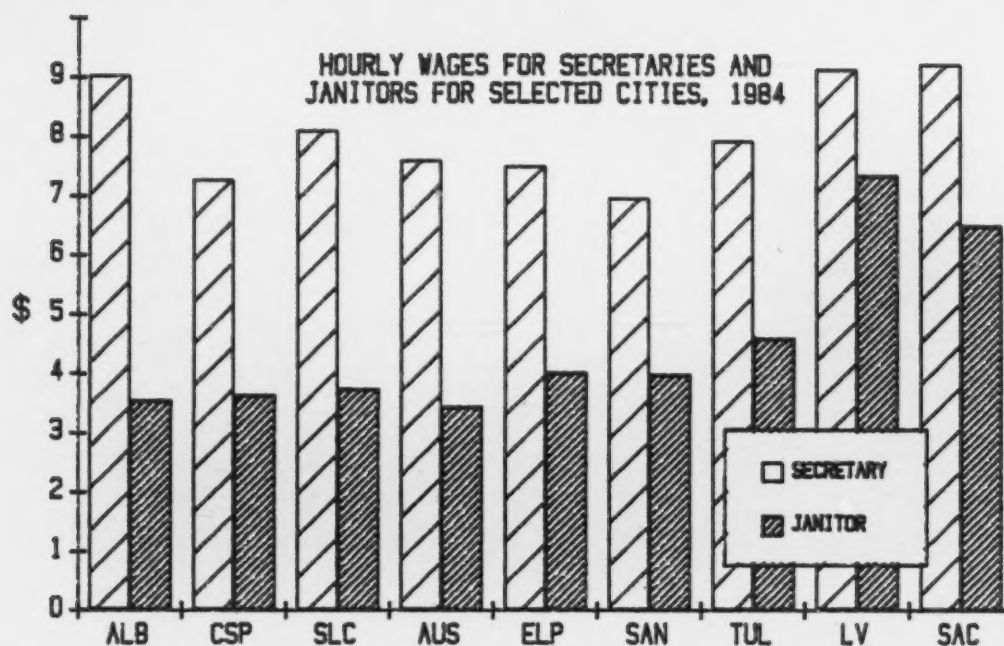


For electrical related professions, Albuquerque has wage levels slightly below the average of the comparison cities. San Antonio has the lowest wages in the region, Tulsa and Las Vegas the highest.

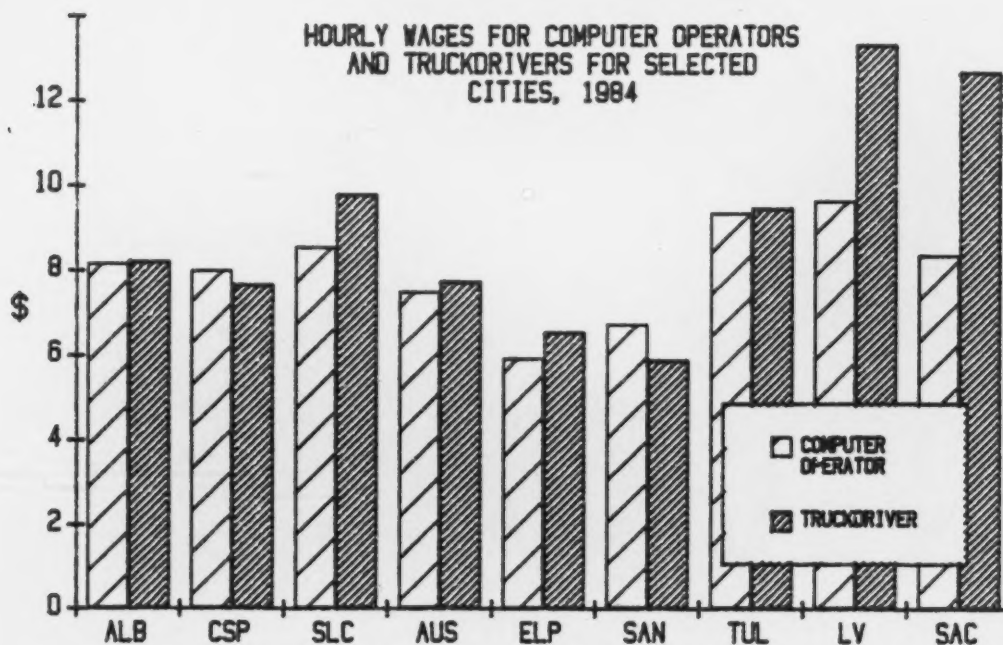
1984 HOURLY OCCUPATIONAL WAGES

MSA	Secretaries	Computer Operators	Electronics Technicians	Electricians	Truckdrivers	Janitors
Albuquerque	9.03	8.18	9.64	12.83	8.22	3.55
Colorado Spgs	7.27	8.02	10.06	12.09	7.68	3.65
Salt Lake	8.10	8.56	8.84	13.00	9.81	3.75
Austin	7.60	7.52	10.25	11.47	7.75	3.45
El Paso	7.50	5.94	9.61	13.09	6.56	4.03
San Antonio	6.96	6.75	8.58	9.76	5.90	4.00
Tulsa	7.93	9.38	15.28	12.54	9.49	4.60
Las Vegas	9.13	9.66	10.39	14.49	13.34	7.35
Sacramento	9.22	8.38	NA	13.43	12.68	6.50

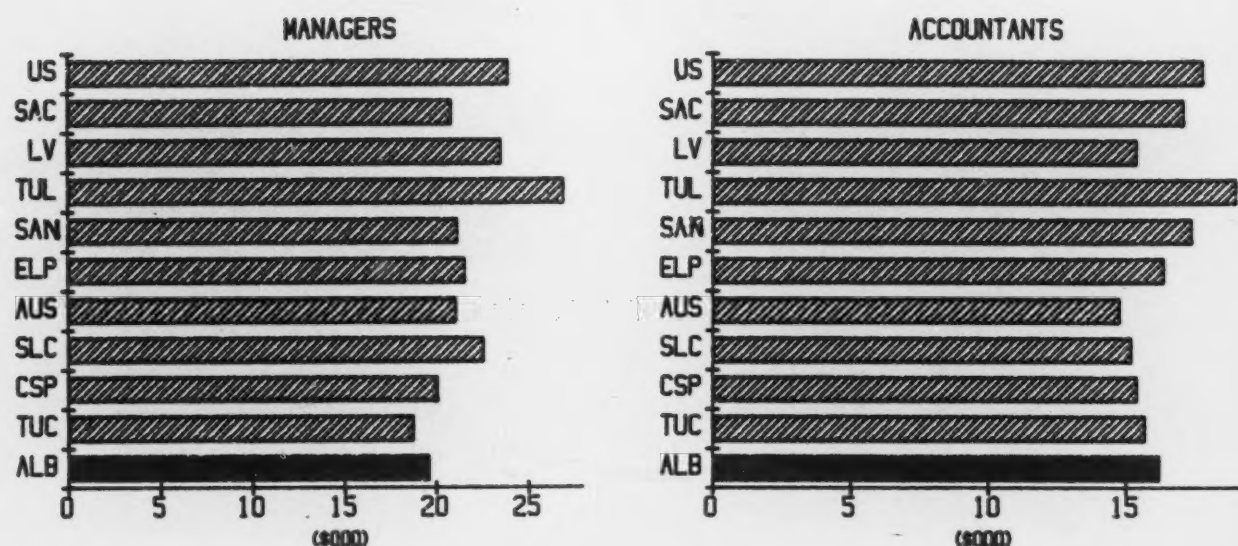
Source: Area Wage Survey (by City), U.S. Department of Labor,
Bureau of Labor Statistics.



Albuquerque ranks second lowest with regards to janitor wages and third highest for secretaries. For computer operators and truckdrivers, wages are above average among the comparison cities. As for these categories, Sacramento, Tulsa and Las Vegas generally have much higher wages than the other cities.



OCCUPATIONAL WAGES-1980 CENSUS DATA



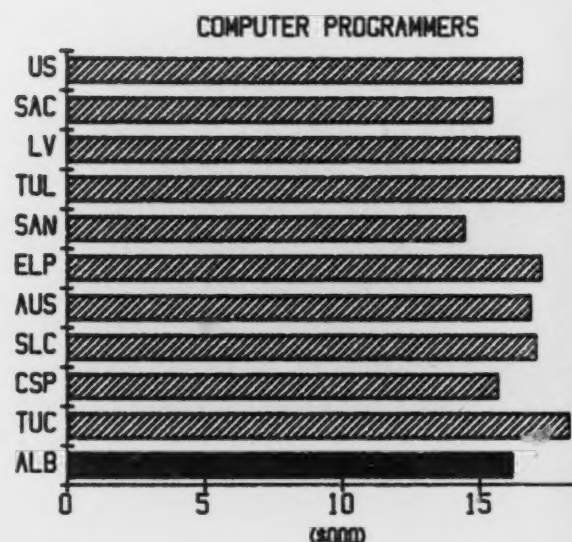
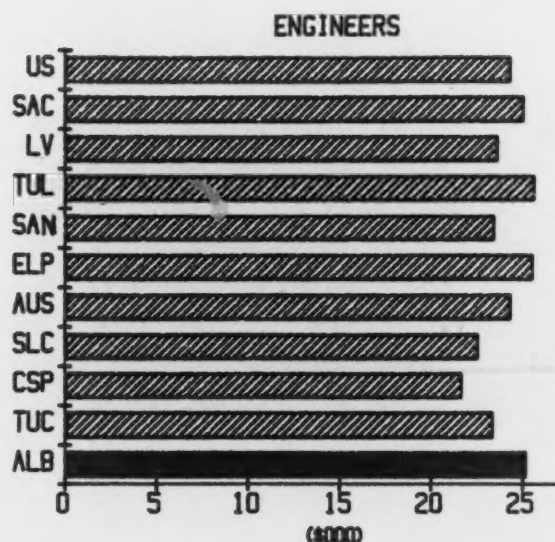
Except for Tulsa, the cities fell below the U.S. average in managerial pay. Albuquerque and Tucson ranked the lowest in this category. Albuquerque's wages for accountants placed in the middle. Austin had the lowest accountant wages whereas Tulsa had the highest.

MEAN EARNINGS BY OCCUPATION (1979)

SNSA'S	MANAGERS	ACCOUNTANTS	ENGINEERS	COMPUTER PROGRAMMERS	CONSTRUCTION TRADES	ASSEMBLERS
ALBUQUERQUE	19,634	16,194	25,248	16,221	12,790	7,984
TUCSON	18,753	15,650	23,350	18,270	14,274	8,072
COLORADO SPGS.	20,096	15,376	21,717	15,661	14,087	7,434
SALT LAKE	22,561	15,247	22,605	17,089	14,994	6,759
AUSTIN	21,098	14,813	24,371	16,927	13,030	7,588
EL PASO	21,629	16,383	25,621	17,276	10,458	6,600
SAN ANTONIO	21,239	17,434	23,463	14,456	11,335	8,325
TULSA	27,040	19,018	25,714	18,072	14,661	10,125
LAS VEGAS	23,559	15,418	23,609	16,516	18,532	9,151
SACRAMENTO	20,941	17,115	25,106	15,477	16,884	8,303
UNITED STATES	23,982	17,834	24,369	16,581	14,904	10,286

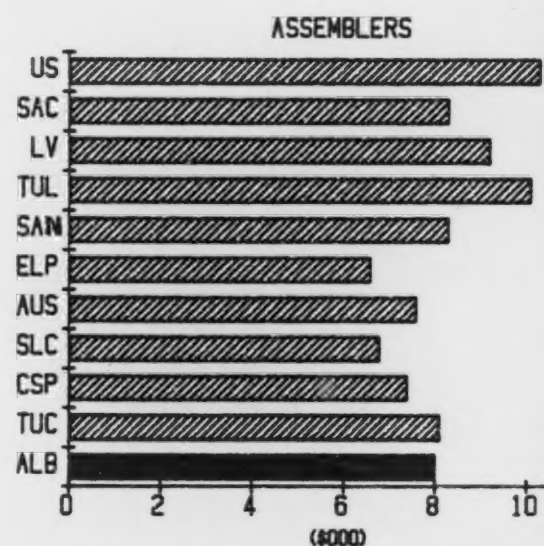
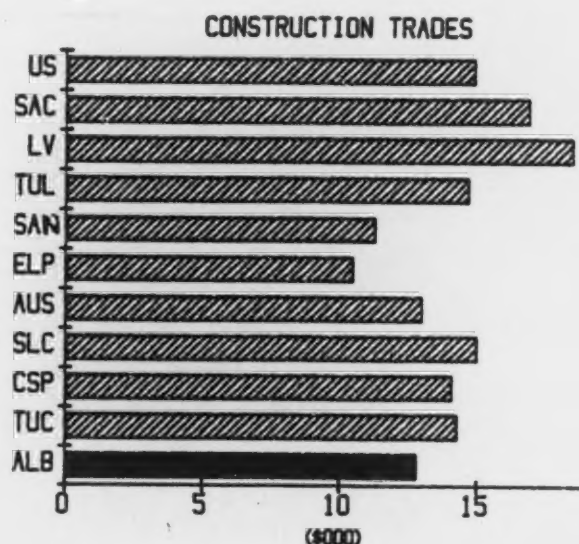
SOURCE: U.S. Department of Commerce, Bureau of the Census.
Detailed Population Characteristics, 1980 state reports.

METHODOLOGY: Employment and earnings data is weighted to account for separate male and female totals reported by the Census.

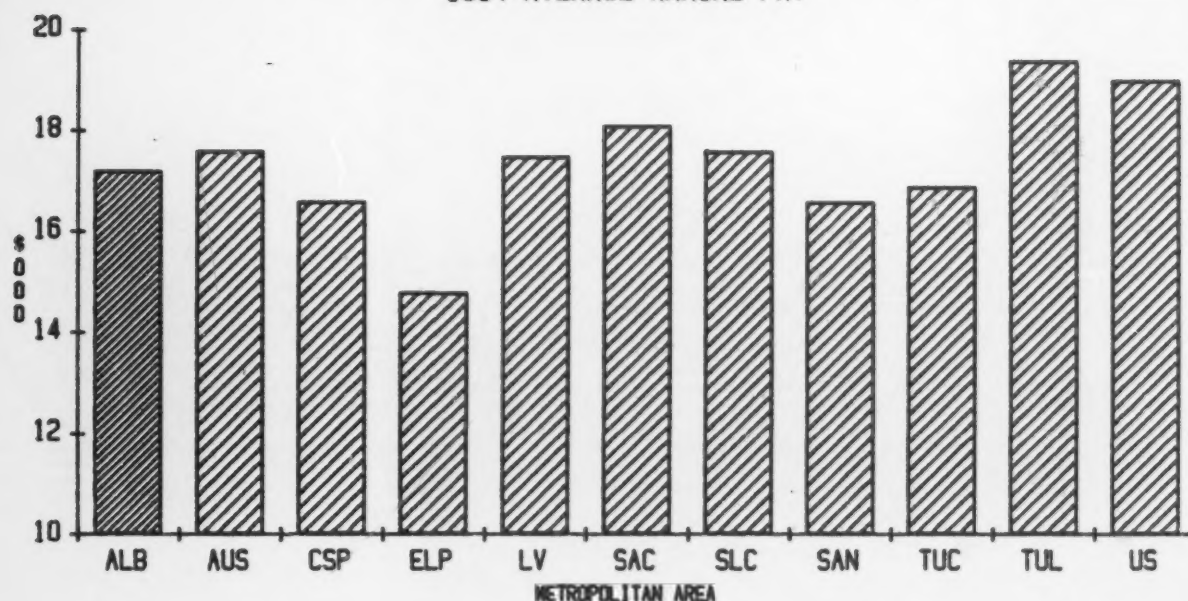


Wages for engineers varied little among the ten cities. Tulsa and El Paso ranked highest while Albuquerque placed third. Albuquerque was at the low end for computer programmers.

The Texas cities and Albuquerque paid the least in the construction trades whereas Sacramento and Las Vegas had the highest wages. Compensation for assemblers in all ten cities was less than the U.S. average. Tulsa paid the most, El Paso paid the least, while Albuquerque ranked in the middle.



1984 AVERAGE ANNUAL PAY



Tulsa was the only comparison urban area with average annual pay above the U.S. metro average. El Paso ranked the lowest while Albuquerque placed 6th at \$17,227 in 1984.

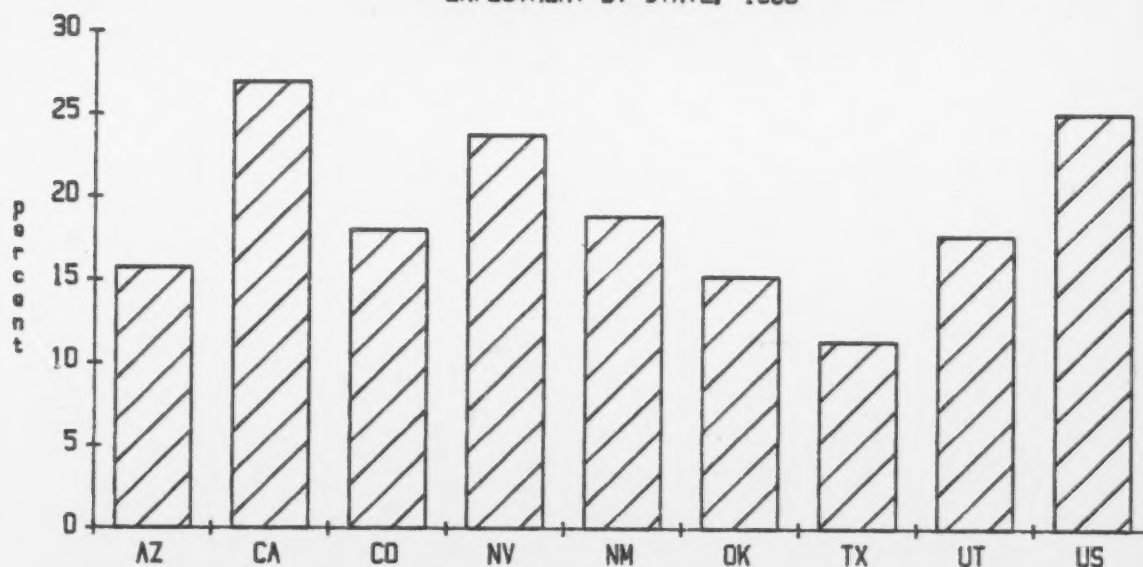
With regards to the change from 1983 to 1984, Austin experienced the greatest percentage increase. Annual pay in seven of urban areas, including Albuquerque, increased less than the U.S. metro average during this time period.

Average Annual Pay Levels

Metropolitan Area	1984	1983	%Change (1983-84)
Albuquerque	17,227	16,673	3.3
Austin	17,626	16,446	7.2
Colorado Springs	16,615	15,877	4.6
El Paso	14,761	14,296	3.3
Las Vegas	17,530	17,050	2.8
Sacramento	18,110	17,431	3.9
Salt Lake	17,632	16,996	3.7
San Antonio	16,554	15,703	5.4
Tucson	16,940	16,364	3.5
Tulsa	19,389	18,883	2.7
US(All Metro)	19,028	18,183	4.6

Source: Annual Pay Levels for Metropolitan Areas,
Department of Labor, Bureau of Labor Statistics.
Average annual pay is computed by dividing the
total annual payrolls of employers covered
by insurance programs by the average monthly
employment of these employers.

LABOR UNIONS' SHARE OF NONAGRICULTURAL EMPLOYMENT BY STATE, 1980



The presence of labor unions may significantly affect an area's business climate (both actual and perceptual). Union membership as a share of nonagricultural employment fell in most comparison states, during 1970-80, except in New Mexico where membership held steady near 19 percent. All states besides California had a smaller share of workers in unions than the U.S. average in 1980. Among these states California was highest and Texas lowest in organized labor's share of employment.

Work stoppages are costly for firms and generally are more frequent in heavily unionized areas. New Mexico places in the lower half for work stoppages as a percent of work time among these states and well below the U.S. average during 1977-81. New Mexico is one of four comparison states without a right-to-work law.

LABOR UNIONS EFFECT ON BUSINESS CLIMATE

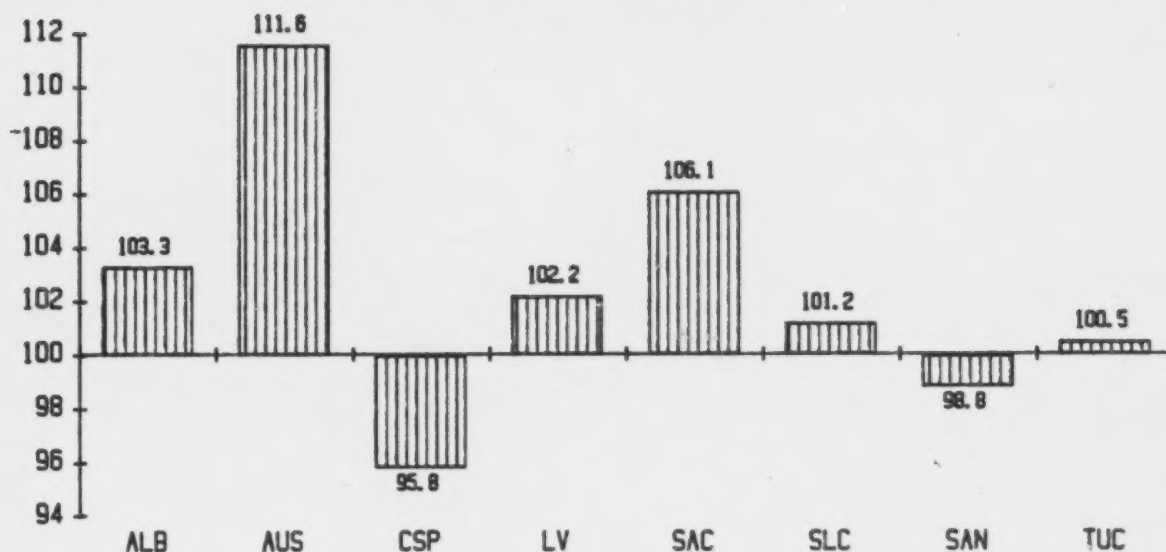
State	Right-to-Work	Labor Unions' % of Nonagr. Employment		Work Stoppages % Working Time (1977-81 avg.)
		1970	1980	
Arizona	yes	21.4	15.8	0.17
California	no	35.7	27.0	0.17
Colorado	no	25.0	18.1	0.11
Nevada	yes	36.5	23.8	0.07
New Mexico	no	18.8	18.9	0.08
Oklahoma	no	18.8	15.3	0.06
Texas	yes	15.8	11.4	0.08
Utah	yes	26.2	17.8	0.17
United States		30.8	25.2	0.15

Sources: Right-to-work, labor unions -- Statistical Abstract of the U.S., 1984, Bureau of the Census, U.S. Department of Commerce.
Work stoppages -- 1983 Handbook of Labor Statistics, Bureau of Labor Statistics, U.S. Department of Labor.

COST OF LIVING COMPARISON

1. COST OF LIVING INDEX
2. HOUSING PRICES
3. ELECTRICITY
4. NATURAL GAS
5. MEDICAL COSTS

1985 COST OF LIVING INDEX



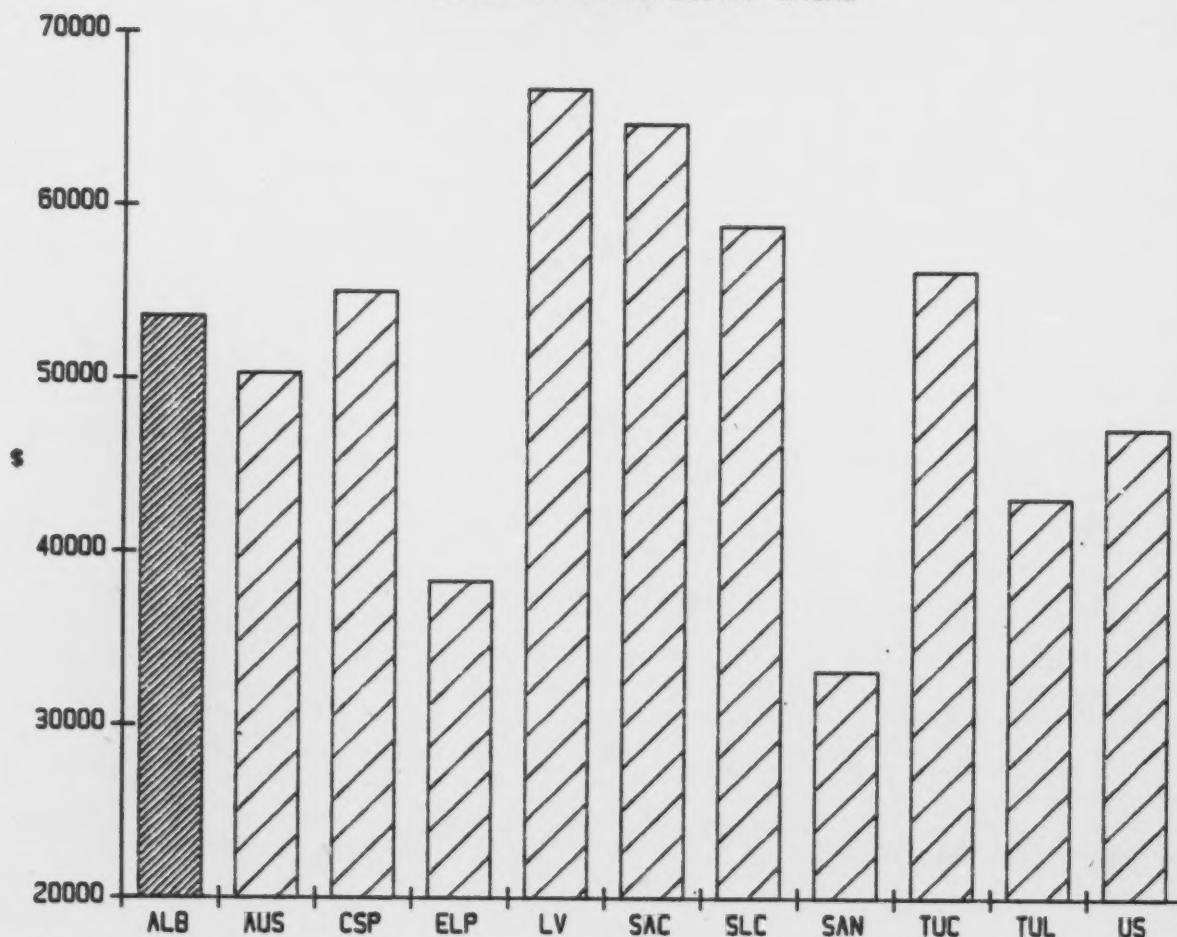
Albuquerque's cost of living gained against the U.S. average from an index of 100.6 to 103.3 during 1984-85. Of eight comparison cities for which data is available, Albuquerque ranked third highest. Within the region, Austin held the top spot and Colorado Springs the bottom. The cost of living for six of these cities rose during 1984-85 versus the U.S. average.

COST OF LIVING INDEX
(U.S. = 100)

	'4TH QTR. 1984	'4TH QTR. 1985
ALBUQUERQUE	100.6	103.3
AUSTIN	110.7	111.6
COLORADO SPRINGS	96.9	95.8
EL PASO	NA	NA
LAS VEGAS	101.6	102.2
SACRAMENTO	102.5	106.1
SALT LAKE CITY	100.7	101.2
SAN ANTONIO	100.5	98.8
TUCSON	99.8	100.5
TULSA	105.6	NA

Source: American Chamber of Commerce Researchers Association, All-Items Cost of Living Index. Not all cities participate during each survey period; thus the U.S. average of 100 represents only those participating cities.

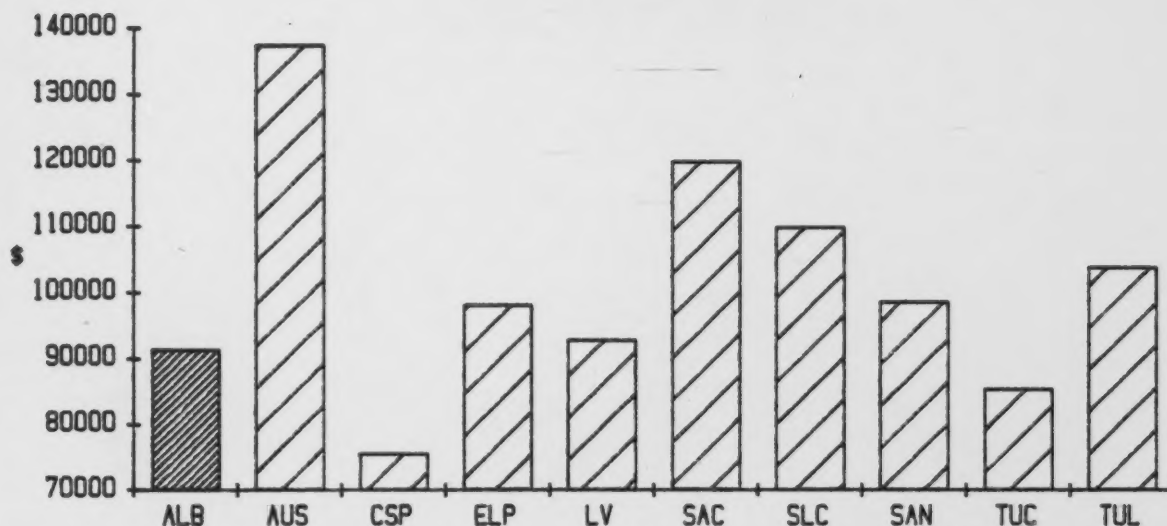
1980 MEDIAN HOUSING VALUE FOR SELECTED METROPOLITAN AREAS



Albuquerque's 1980 median housing value of \$53,700 placed the SMSA in the middle relative to its competitors. Median house values in Las Vegas and Sacramento were the loftiest while San Antonio and El Paso had the lowest values. House values in seven of the metropolitan area were above the national average.

For housing within the city limits (see following page), Albuquerque's price ranks third highest among these communities. Las Vegas remains most expensive while San Antonio continues to be the cheapest community to buy a house.

HOUSING--1985 AVERAGE PRICE

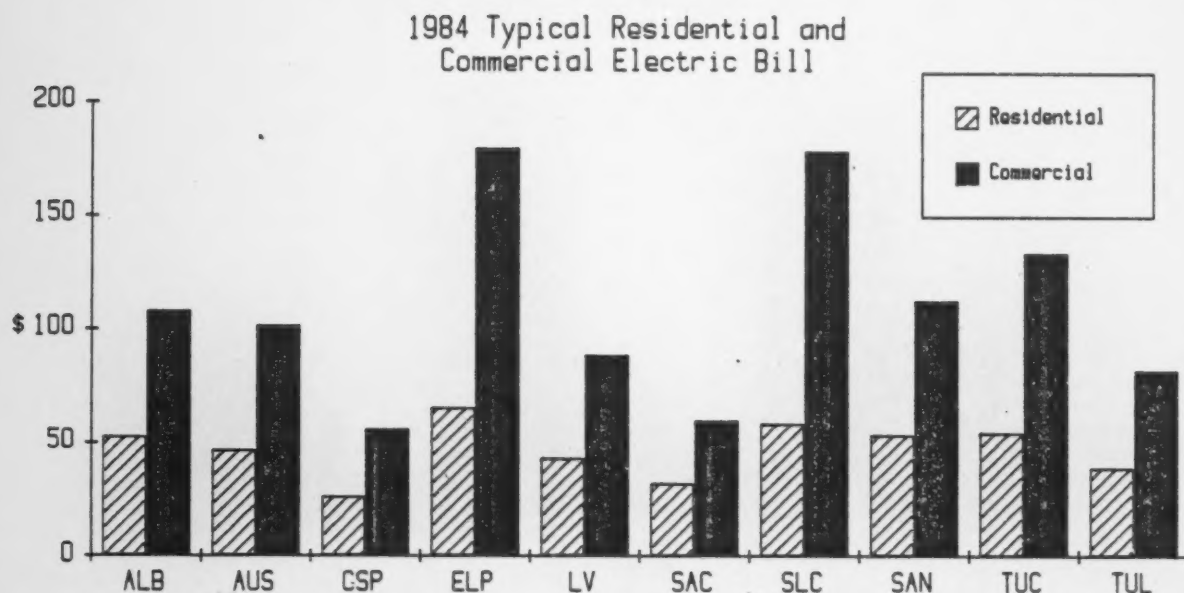


Albuquerque places near the bottom for 1985 average home prices. Austin is on top and Sacramento ranks second highest. Colorado Springs has the lowest average home prices which fall significantly below the comparison cities. Home values ranged from a high of \$137,500 in Austin to a low of \$75,725 in Colorado Springs.

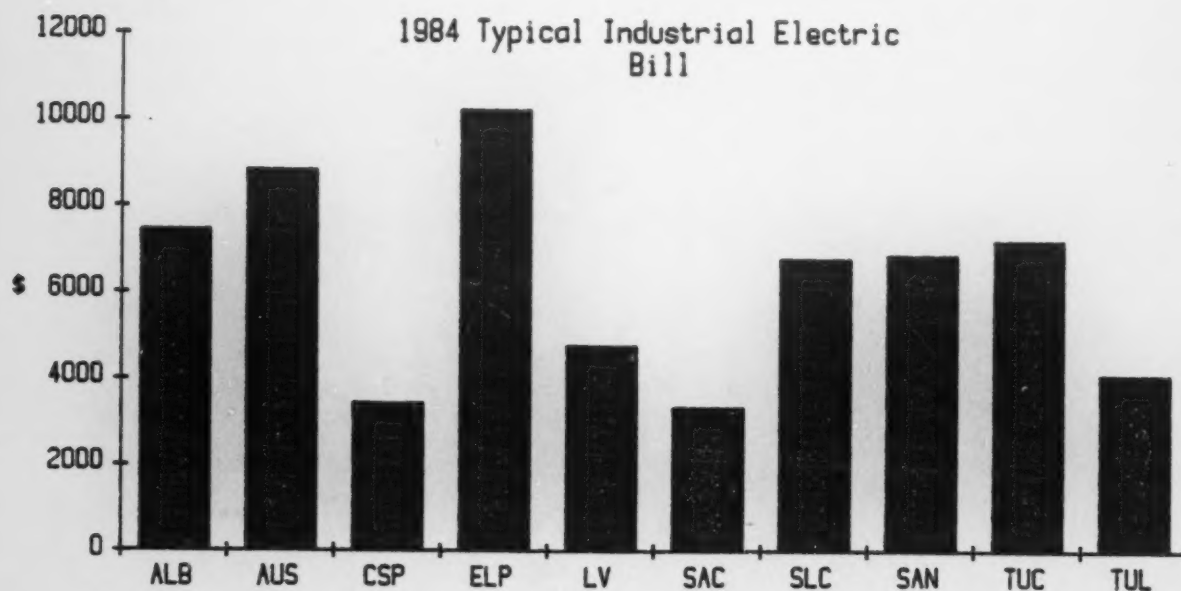
HOUSING COST DATA

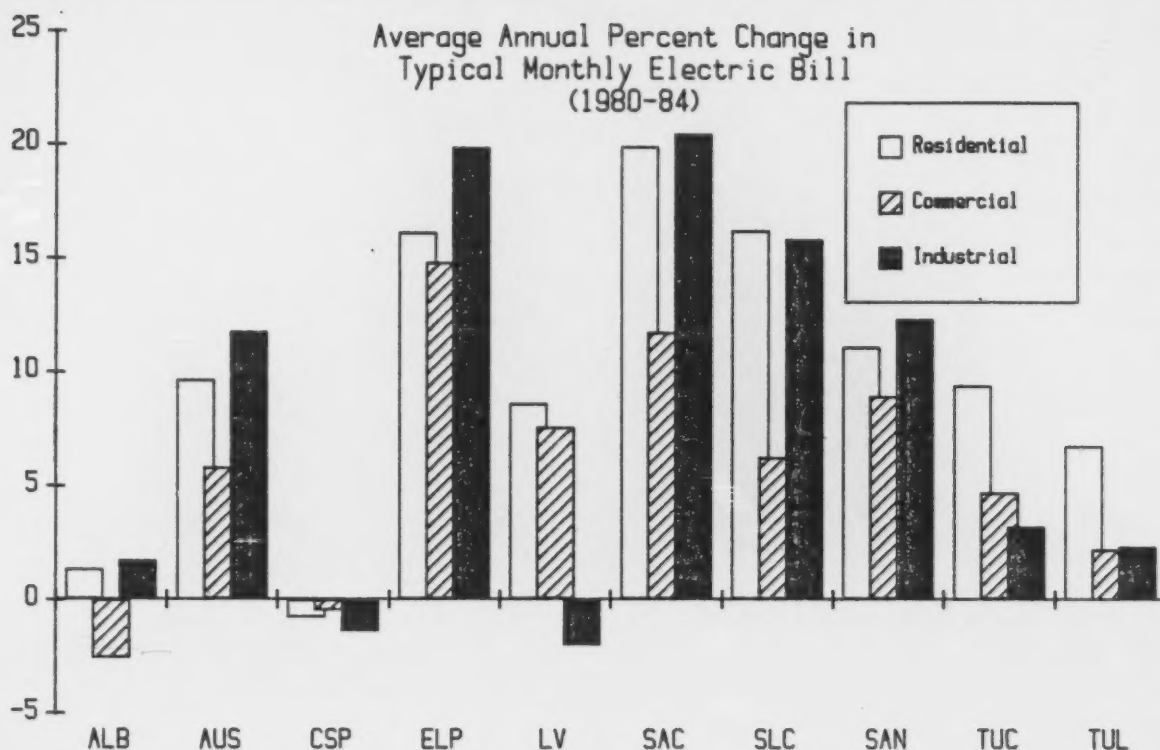
AREA	1980 SMSA		1980 CITY		1985 AVERAGE	
	MEDIAN VALUE	RANK	MEDIAN VALUE	RANK	PRICE	RANK
ALBUQUERQUE	53,700	6	57,000	3	91,500	8
AUSTIN	50,400	7	47,400	7	137,500	1
COLORADO SPRINGS	55,100	5	58,000	2	75,725	10
EL PASO	38,400	9	39,000	9	98,300	6
LAS VEGAS	66,800	1	65,500	1	93,000	7
SACRAMENTO	64,800	2	56,800	4	120,000	2
SALT LAKE CITY	58,900	3	54,100	5	110,000	3
SAN ANTONIO	33,200	10	27,800	10	98,750	5
TUCSON	56,300	4	50,400	6	85,500	9
TULSA	43,200	8	45,700	8	104,000	4
U.S. (URBAN)	49,500					

Sources: 1980 data--General Housing Characteristics, U.S. Summary, 1980 Census of Housing (SMSA) and County and City Data Book 1983 (City), both from Dept. of Commerce, Bureau of Census. Data corresponds to owner-occupied housing. Respondents estimate how much their property would sell for on the market. Albuquerque SMSA is Bernalillo and Sandoval counties. 1985 Data--Coldwell Banker, National Relocation Services. The average of fall and spring prices was taken to derive the 1985 data. The prices reflects a home with 2000 sq. ft., 3 bedrooms, 2 baths, a dining room, 2-car garage, and a basement (if applicable) located in a neighborhood the broker judged to be above average to price.



El Paso's residential, commercial and industrial electric bills are higher than any of the other selected cities. Colorado Springs and Sacramento have the lowest electric bills for these three classes of users. In 1984, Albuquerque ranked fourth in the residential category, fifth for commercial bills and third for the typical industrial electric bill.



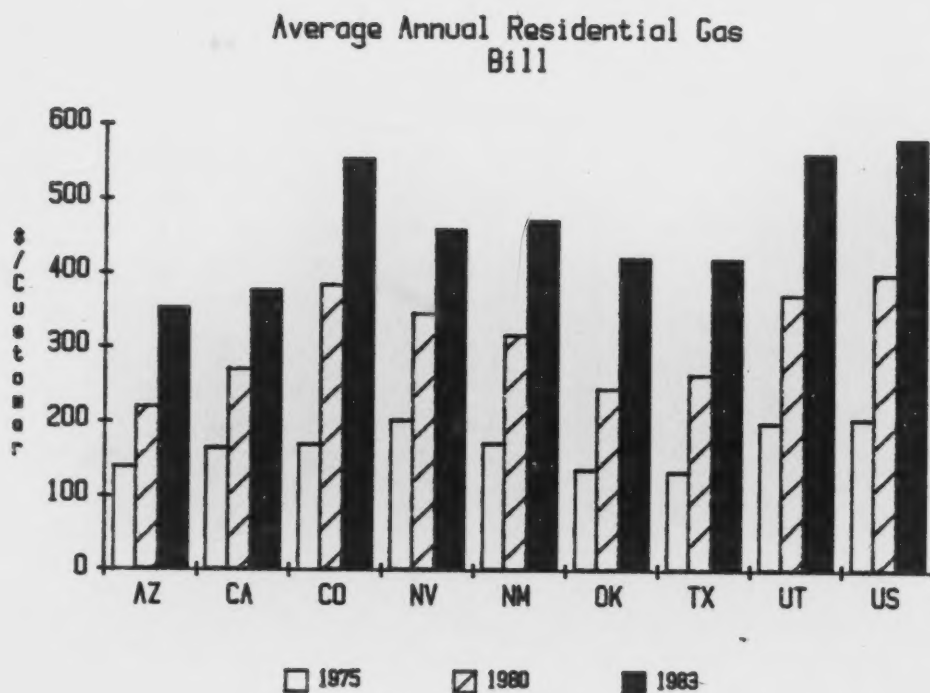


Albuquerque has sustained a negligible increase in electric bills since 1980. Colorado Springs was the only city to experience an actual drop in the average bill for each category of electrical use in the 1980-84 period. Cities such as Sacramento and El Paso experienced annual growth in electric bills in excess of 10 percent for all use categories during this period.

Typical Monthly Electric Bill Data by City (\$)

City	1980			1984		
	Residential	Commercial	Industrial	Residential	Commercial	Industrial
Albuquerque	50.21	120.64	6976	52.94	108.12	7458
Austin	33.80	82.48	6013	46.88	101.72	8846
Colorado Spgs	27.32	57.17	3646	26.45	56.03	3439
El Paso	39.96	112.76	5693	65.73	179.50	10211
Las Vegas	32.09	68.07	5186	43.17	88.71	4765
Sacramento	17.93	40.75	1846	32.19	59.92	3355
Salt Lake	35.59	142.54	4160	58.66	178.25	6796
San Antonio	37.10	82.86	4613	53.60	112.55	6894
Tucson	39.60	112.35	6394	54.54	133.59	7222
Tulsa	30.86	75.47	3752	39.20	82.21	4106

Source: Typical Electric Bills, Energy Information Administration, Department of Energy. The Residential bill corresponds to 750 kWh use, Commercial to 1500 kWh use and Industrial to 120 MWh use. For some cities and service categories, the monthly bill data is reported as a range of values. The above data reports the midpoint of these range values.



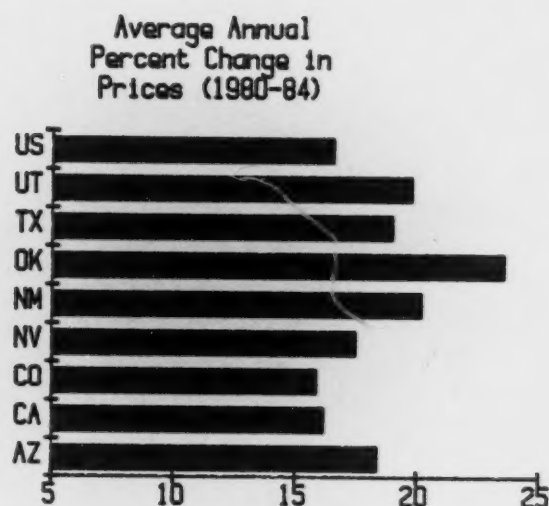
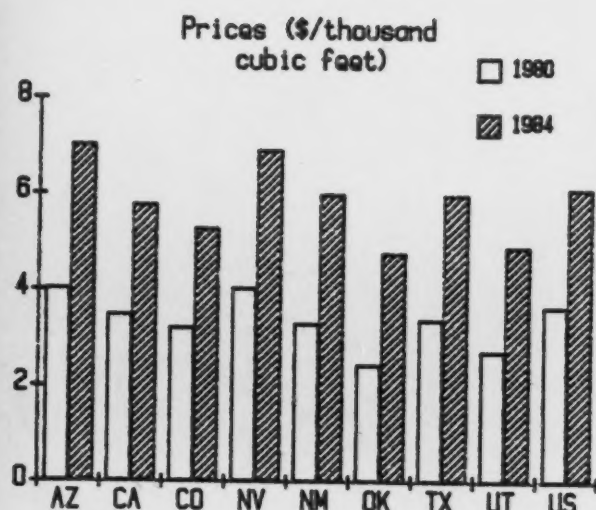
Average Annual Residential
Gas Bill Data (\$/Customer)

The above table compares average residential gas bills by state. This data was not available at the city level. All of the comparison states gas bills are below the national average. Utah and Colorado beared the highest bills while Arizona and California experienced the lowest. New Mexico ranked third highest in 1983.

State	1975	1980	1983
Arizona	141	221	354
California	166	272	378
Colorado	171	385	555
Nevada	204	347	460
New Mexico	173	318	473
Oklahoma	138	246	422
Texas	135	265	421
Utah	201	373	563
U.S.	206	401	583

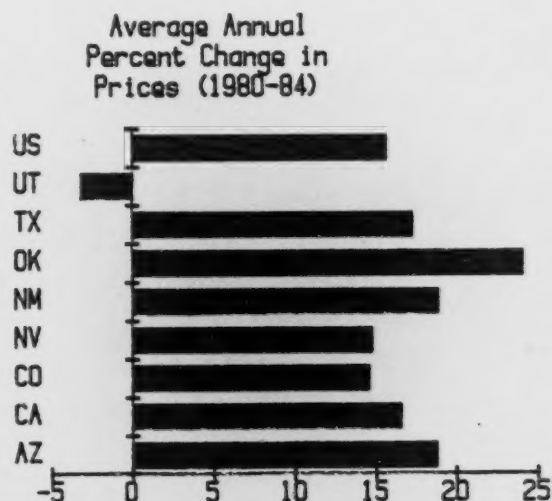
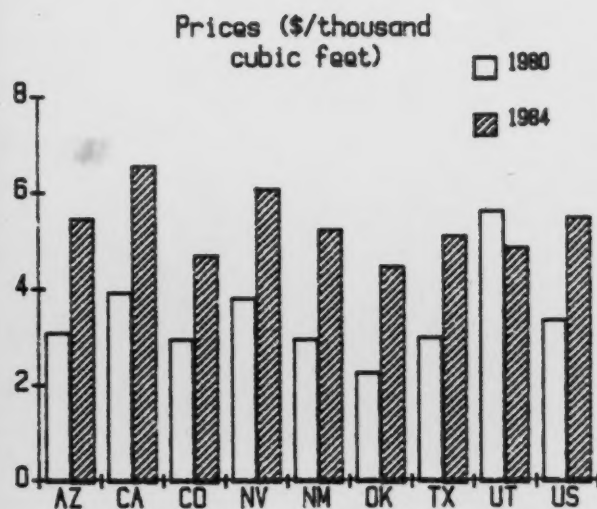
Source: Gas Facts-1983, American Gas Association, Table 9-8.

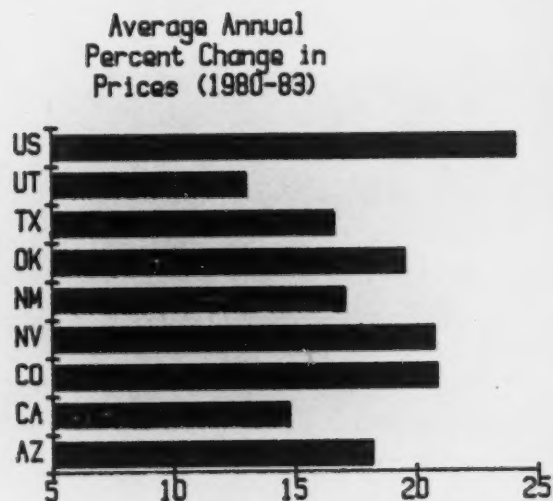
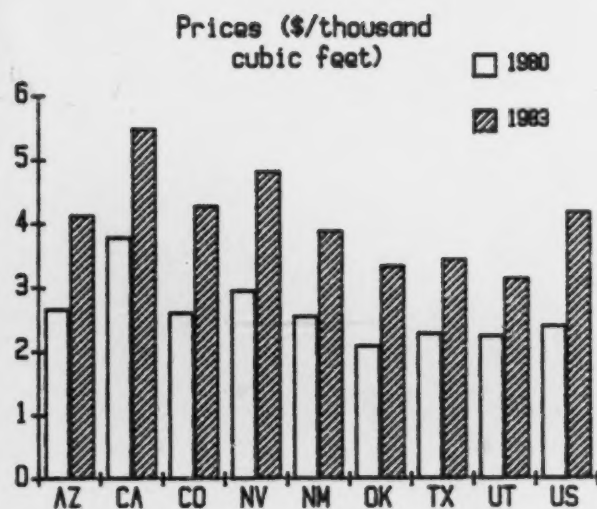
Residential Natural Gas Prices



Natural gas prices grew at a healthy pace for all the states in the 1980-84 period. The average annual increase in residential prices ranged from 15.9 to 23.6 percent. Commercial prices also increased sharply in this time period. The only exception to this increase was Utah where commercial prices actually declined by 3 percent. New Mexico ranked third highest among these states in residential prices and fourth highest for commercial prices in 1984.

Commercial Natural Gas Prices





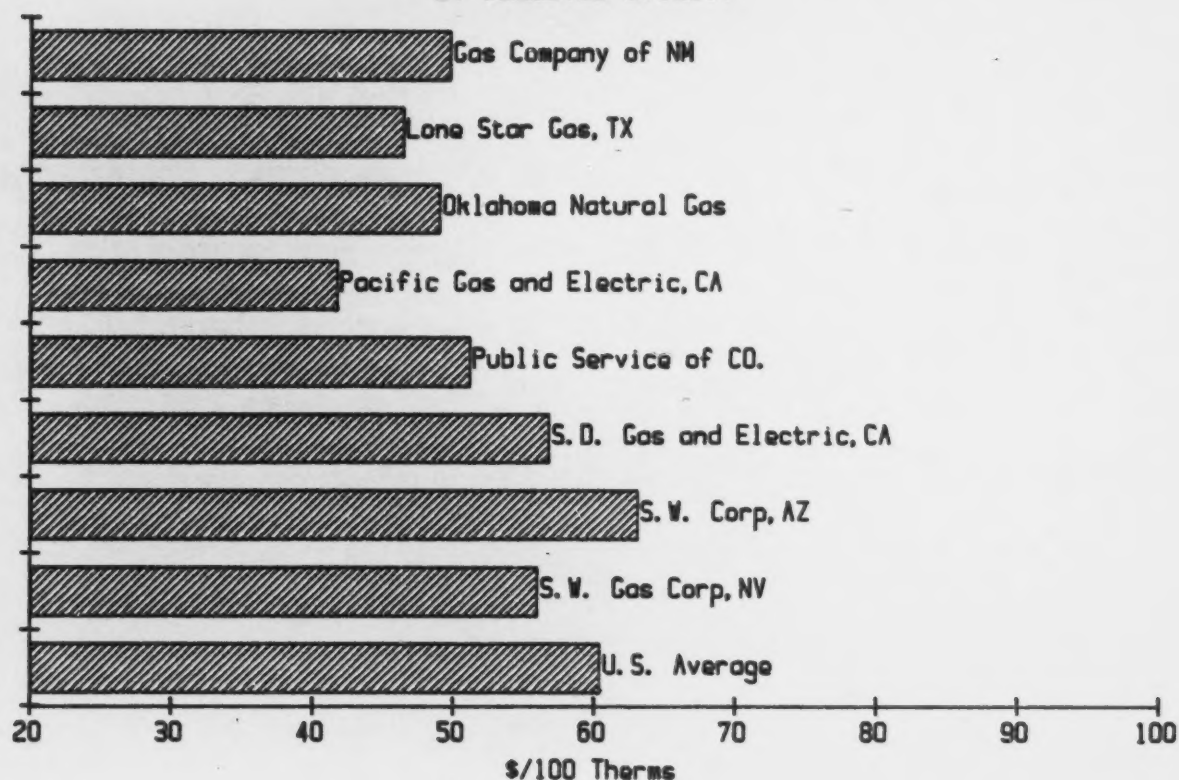
Industrial natural gas prices also jumped substantially in the early 1980's. All of the comparison states experienced annual price increases in excess of 13 percent. It is worth noting that the region did well compared to the average U.S. increase of 24.2 percent. In 1983, New Mexico's industrial gas prices ranked fifth among the eight comparison states.

Natural Gas Price Data

State	Prices (\$/thousand cubic feet)						Average Annual % Change					
	Residential			Commercial			Industrial			Residential	Commercial	Industrial
	1980	1983	1984	1980	1983	1984	1980	1983	1984	1980-84	1980-84	1980-83
Arizona	4.05	6.63	7.03	3.16	5.55	5.54	2.68	4.14	na	18.4	18.8	18.2
California	3.51	5.41	5.78	3.99	6.33	6.64	3.80	5.49	na	16.2	16.6	14.8
Colorado	3.23	5.51	5.28	3.02	5.04	4.78	2.63	4.28	na	15.9	14.6	20.9
Nevada	4.06	6.81	6.91	3.88	6.03	6.17	2.97	4.82	na	17.5	14.8	20.8
New Mexico	3.32	5.50	6.00	3.03	4.80	5.32	2.57	3.89	na	20.2	18.9	17.1
Oklahoma	2.46	4.33	4.78	2.32	4.13	4.56	2.11	3.35	na	23.6	24.1	19.6
Texas	3.40	5.55	5.99	3.07	5.05	5.19	2.30	3.45	na	19.0	17.3	16.7
Utah	2.74	4.26	4.91	5.68	4.32	4.95	2.26	3.15	na	19.8	-3.2	13.1
U.S.	3.68	6.06	6.12	3.42	5.59	5.57	2.42	4.18	na	16.6	15.7	24.2

Source: Natural Gas Monthly and Natural Gas Annual, Energy Information Administration, Department of Energy

1986 RESIDENTIAL NATURAL GAS BILL BY SELECTED UTILITY



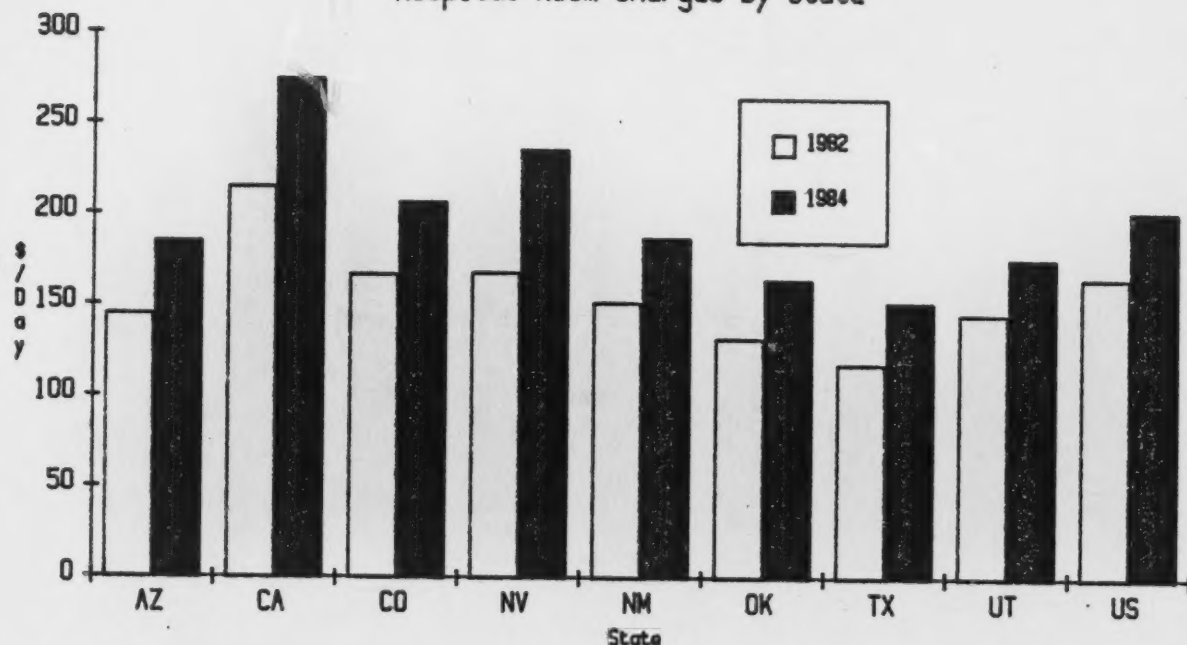
The table to the right reports typical natural gas bills for consumers of selected western utilities which participated in a 1984 and 1986 American Gas Association (AGA) survey. In 1986, all the representative bills were below the U.S. average with the exception of S.W. Gas Corp. of Southern Arizona. Customers of Pacific Gas and Electric paid the lowest bills in 1986 among these comparison utilities. Nationally, of the 122 utilities participating in the 1986 survey, the Gas Company of New Mexico ranked 102nd (or the 21st lowest bill) for 100 therms usage.

Typical Monthly Bill for Residential
Natural Gas Service (\$/100 Therms Usage)

Utility	1984	1986
Gas Company, NM	54.66	49.85
Lone Star Gas, TX	48.25	46.54
Oklahoma Natural Gas, OK	47.15	49.11
Pacific Gas and Electric, CA	63.99	41.84
Public Service, CO	56.22	51.26
San Diego Gas and Electric, Ca	87.79	56.87
S.W. Gas Corp., AZ	64.79	63.14
S.W. Gas Corp., NV	64.34	56.07
U.S. Average	64.42	60.48

Source: Monthly Representative Bill Comparison Report, American Gas Association. Data is for the quarter ending June 30, 1984 or March 31, 1986. U.S. average is based on 133 companies (1984) and 122 companies (1986).

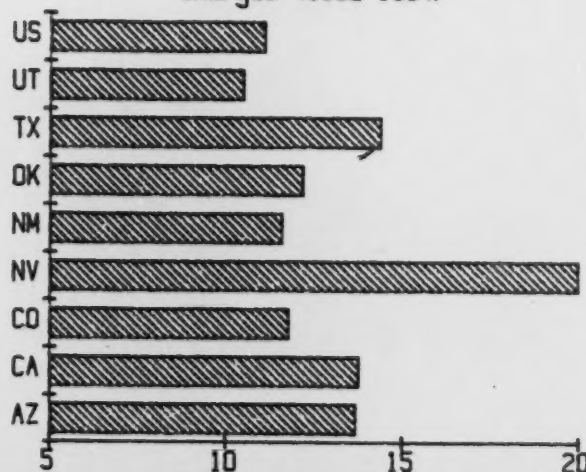
Hospital Room Charges By State



Hospital room charges were compared as an indication of medical costs.. Of the comparison states, California reported the highest hospital room charges while Texas ranked lowest. New Mexico placed fourth out of the eight western states.

As for the growth in hospital costs, New Mexico's annual increase in the 1982-84 period was 11.6 percent. It is worth noting that seven of the eight western states experienced hospital room cost increases in excess of the national average.

Average Annual Percent Change in Hospital Room Charges (1982-1984)

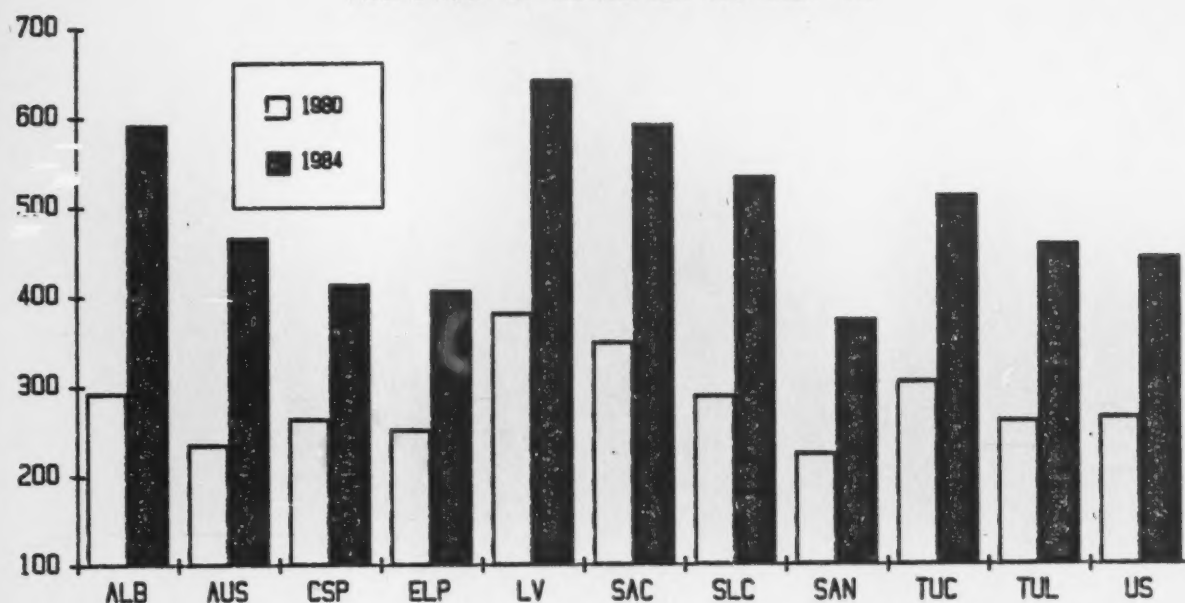


Hospital Room Charges by State (\$/day)

State	Jan 1982	Jan 1984	Average Annual % Change (1982-1984)
Arizona	145.95	185.97	13.7
California	215.85	275.57	13.8
Colorado	167.65	207.39	11.8
Nevada	168.72	236.10	20.0
New Mexico	152.45	197.81	11.6
Oklahoma	132.60	165.07	12.2
Texas	118.65	152.72	14.4
Utah	146.07	176.67	10.5
U.S.	165.08	203.03	11.1

Source: Sourcebook of Health Insurance Data, Health Insurance Association of America

EXPENSES PER PATIENT PER DAY IN HOSPITALS BY METROPOLITAN AREA (\$)



At the metropolitan level, the only readily available hospital cost comparison data are hospital patient expenses. These expenses are representative of the hospital cost of treating patients. Albuquerque, in 1984, ranked second highest (behind Las Vegas) in this measure of medical costs. Albuquerque also experienced the most rapid growth in the four year period 1980-84. Hospital expense data reported for San Antonio, El Paso and Colorado Springs were less than the U.S. average.

Expenses Per Patient Per Day in Community Hospitals (\$)

MSA	1984	1980	Average Annual % Change (1980-1984)
Albuquerque	592.80	293.00	25.6
Austin	466.48	235.30	24.6
Colorado Springs	414.11	264.72	14.1
El Paso	406.58	251.90	15.4
Las Vegas	642.26	381.14	17.1
Sacramento	591.82	348.75	17.4
Salt Lake	533.38	289.39	21.1
San Antonio	373.93	224.79	16.6
Tucson	513.03	305.55	17.0
Tulsa	458.45	261.77	18.8
U.S. (Metro)	443.47	265.56	16.7

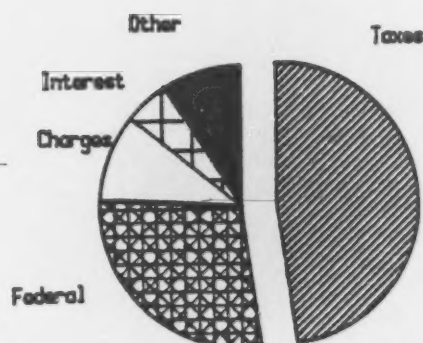
Source: Hospital Statistics,
American Hospital Association

TAX COMPARISON

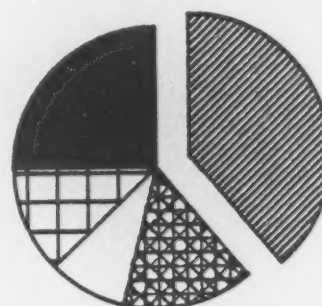
1. STATE AND LOCAL DISTRIBUTION OF GENERAL REVENUE
2. CITY GENERAL REVENUE SOURCES
3. STATE AND LOCAL DISTRIBUTION OF TAX REVENUE
4. STATE GOVERNMENT PERCENTAGE OF TAX REVENUE
5. CITY TAX REVENUE
6. TAXATION PER \$1000 OF PERSONAL INCOME
7. STATE AND LOCAL SALES TAX
8. STATE CORPORATE INCOME TAX
9. STATE INDIVIDUAL INCOME TAX
10. PERSONAL TAX BURDEN
11. PROPERTY TAX

STATE AND LOCAL DISTRIBUTION OF GENERAL REVENUE
BY SOURCE, 1976-77 AND 1983-84, FOR SELECTED STATES

New Mexico
(1976-77)



New Mexico
(1983-84)



Taxes have declined as a share of New Mexico general revenue from 48 percent in 1976-77 to 39 percent in 1983-84. New Mexico's tax proportion is significantly lower than any other comparison state. Interest income is the most important in New Mexico while charges are the least important relative to other states. The footnote below discusses why the Other category is so large for New Mexico.

Certain national and regional trends are also evident. The federal government is providing a smaller share of state revenue while charges have become more important. The share of general revenue obtained from taxes has declined in every comparison state (with the exception of Oklahoma) since 1976-77.

Source of General Revenue for Combined State and Local Governments, 1976-77 and 1983-84

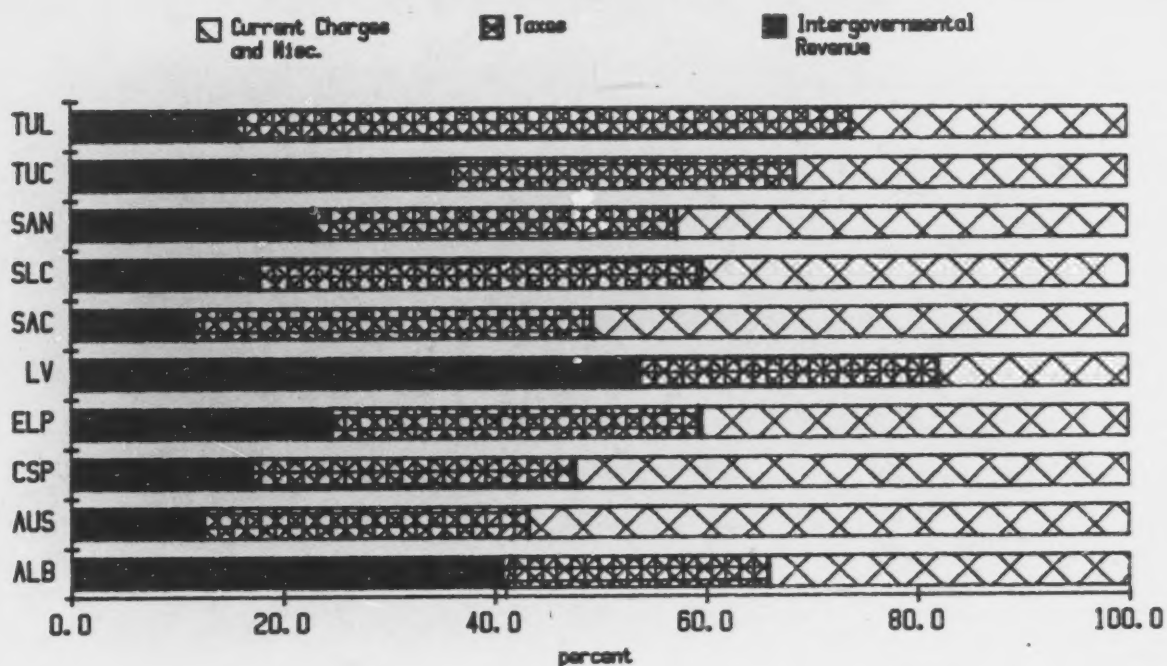
State	1983-84 Total General Revenue (millions)	Distribution of General Revenue by Source, 1983-84 (%)					1976-77 Total General Revenue (millions)	Distribution of General Revenue by Source, 1976-77 (%)				
		Fed. Gov.	Taxes	Charges	Interest	Other		Fed. Gov.	Taxes	Charges	Interest	Other
Arizona	6394.0	13.3	59.0	13.4	7.0	8.0	2927.0	18.0	65.7	10.5	2.8	2.9
California	65108.0	18.9	59.1	12.7	5.4	4.0	36324.0	20.4	65.7	9.1	2.3	2.5
Colorado	7441.9	16.0	57.0	15.2	6.7	6.4	3640.3	21.1	59.1	13.7	2.4	3.6
Nevada	2155.5	14.0	57.0	18.0	7.0	3.9	931.2	18.7	60.7	14.8	2.4	3.3
New Mexico	4341.0	15.0	39.3	9.0	12.0	25.0	1554.7	27.6	47.8	9.8	5.4	9.4
Oklahoma	6688.3	16.0	57.0	16.0	7.0	4.0	3112.5	26.2	54.2	14.8	2.0	2.8
Texas	30931.3	14.0	58.2	14.1	6.3	8.0	13749.5	19.9	59.5	12.0	3.5	5.2
Utah	3693.8	21.0	51.0	12.0	11.0	5.0	1518.1	27.5	54.6	12.2	2.0	1.7
U.S.	542846.7	18.5	59.0	12.9	5.4	4.8	285156.5	21.8	61.7	10.9	2.4	3.1

Source: Governmental Finances, Bureau of Census.

Note: The Other category was exceptionally large for New Mexico in 1983-84 due to the retirement of debt associated with the Four Corners Plant near Farmington. This somewhat distorts the distribution of General Revenue. As an example, the 1982-83 breakdown of General Revenue was 23 percent, Federal Government; 39 percent, Taxes; 16 percent, Charges; 14 percent, Interest and 14 percent, Other.

CITY GENERAL REVENUE SOURCES (1982-83)

37



Among the comparison cities, Albuquerque's share of intergovernmental revenue, at 40.6 percent, was second highest behind Las Vegas. This revenue was primarily associated with sales tax collected by state government then redistributed to Albuquerque. The city was lowest, though, in its share of revenue derived from taxes with a 25.2 percent share.

Sacramento and Austin received the smallest share of intergovernmental revenue, while Tulsa gathered the largest portion of revenue from taxes of which the largest share was city collected sales tax. Austin collected a greater share of its general revenue from charges and miscellaneous sources than any other comparison city. This large share for Austin was due to a city operated hospital.

CITY REVENUES 1982-83

	ALB	AUS	CSP	ELP	LV	SAC	SLC	SAN	TUC	TUL
GENERAL REVENUE TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
INTERGOVERNMENTAL REVENUE	40.6%	12.1%	17.0%	24.5%	53.2%	11.5%	17.6%	22.7%	35.9%	15.6%
TAXES	25.2%	31.0%	30.5%	34.9%	28.7%	37.8%	41.9%	34.5%	32.6%	58.1%
CURRENT CHARGES AND MISCELLANEOUS	34.2%	56.9%	52.4%	40.5%	18.1%	50.8%	40.4%	42.8%	31.6%	26.2%
GENERAL REVENUE TOTAL (\$000)	265,416	258,651	139,328	188,483	80,521	156,129	120,548	291,302	226,582	202,432

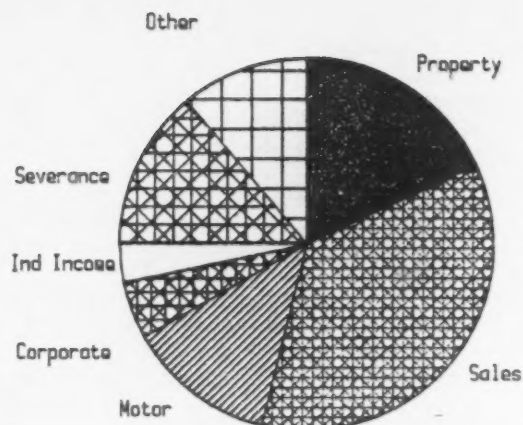
Source: City Government Finances in 1982-83. U.S. Department of Commerce, Bureau of the Census.

Note: Percentage totals may not total 100% due to rounding.
 Current charges and miscellaneous include fees for education, highway, sewerage and sanitation, parks and recreation, airport, and parking.

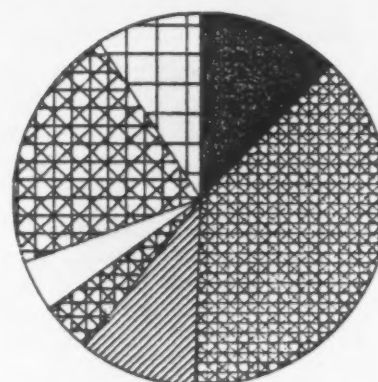
STATE AND LOCAL DISTRIBUTION OF TAX REVENUE BY SOURCE,
1976-77 AND 1983-84, FOR SELECTED STATES

38

New Mexico
(1976-77)



New Mexico
(1983-84)



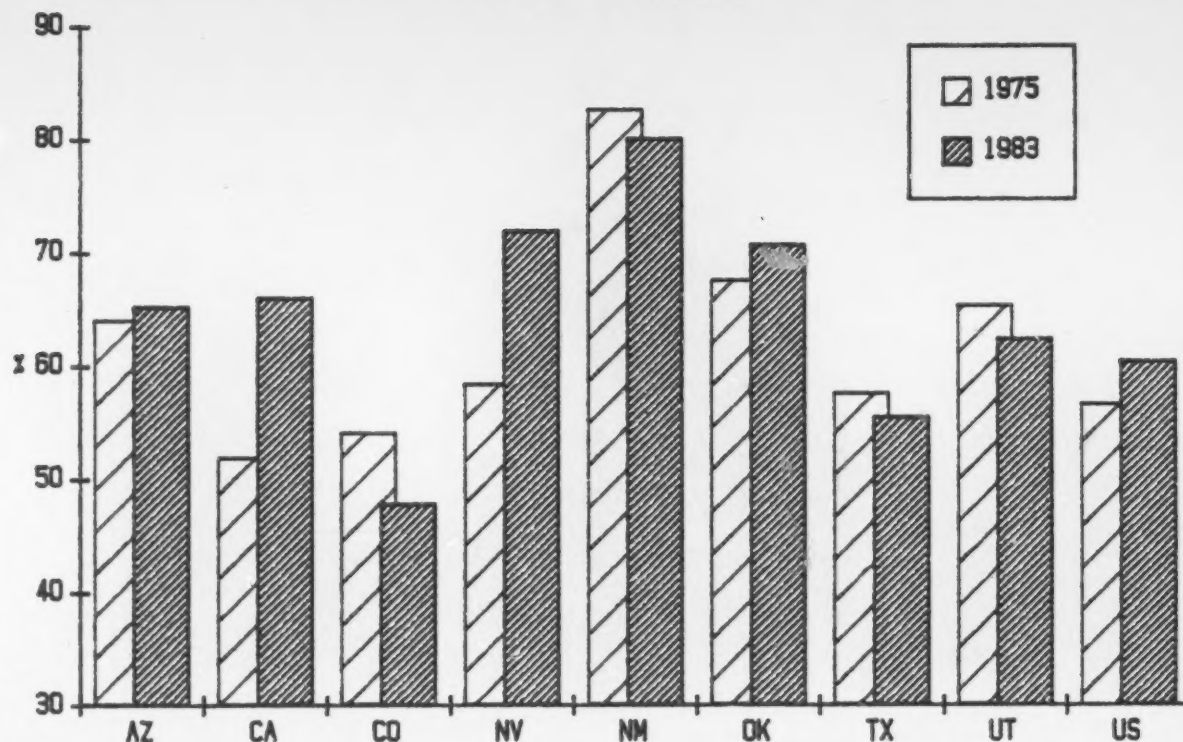
The pie charts above illustrate the significance of both severance and sales taxes (gross receipts) in New Mexico. New Mexico's share of tax revenue received from these taxes exceeds that of any other comparison state. On the other hand, property taxes are the least significant in New Mexico accounting for only 12.4 percent of state and local tax revenue. Texas is the state most dependent on property taxes. California relies most heavily on corporate and individual income taxes. The individual income tax is also important in Utah accounting for 20.6 percent of tax revenue.

1983-84 Combined State and Local Tax Revenue By Source
For Selected States (Percent)

Tax	AZ	CA	CO	NV	NM	OK	TX	UT	US
Property	28.1	25.6	33.3	22.0	12.4	17.2	37.5	27.9	30.1
General Sales	36.2	28.4	31.5	33.4	38.9	23.1	25.5	33.7	23.5
Motor Fuels	5.1	3.1	4.4	7.2	6.3	3.8	2.9	4.7	3.9
Motor Vehicle License	3.1	1.5	1.9	2.8	2.5	4.7	2.4	1.6	2.1
Corporate License	0.1	.0	0.1	0.3	0.7	0.8	3.5	0.0	0.7
Occupation License	0.3	0.5	0.4	0.9	0.8	0.5	0.3	0.5	0.5
Corporate Income	5.2	8.4	2.1	0.0	3.1	2.5	0.0	2.4	4.8
Individual Income	13.9	24.0	17.9	0.0	4.4	17.2	0.0	20.6	18.4
Severance	0.0	.0	0.7	0.0	21.6	18.4	12.4	2.1	2.3
Other	8.1	8.5	7.7	33.5	9.2	11.7	15.4	6.6	13.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Governmental Finances in 1983-84, U.S. Bureau of Census.

STATE GOVERNMENT PERCENTAGE OF STATE AND LOCAL TAX REVENUE

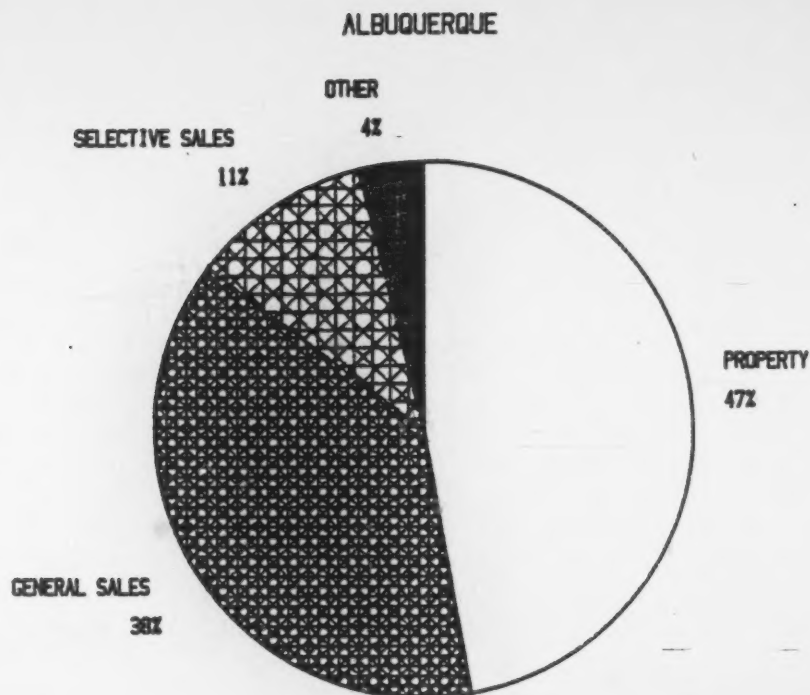


The chart above shows the share of total state and local tax revenue collected by the state government. New Mexico ranks highest in this measure indicating that tax policy is dominated by state government decisions. Most states have experienced increasing centralization of tax collections due primarily to the impact of Proposition 13 in California and other measures designed to limit the ability of local governments to collect tax revenue. Colorado is the only comparison state where less than 50 percent of state and local tax revenue is collected by the state government.

State Government Percentage of State and Local Tax Revenue

State	1975	1980	1983
Arizona	64.1	61.5	65.3
California	52.0	69.8	66.1
Colorado	54.2	52.1	47.9
Nevada	58.5	61.4	72.0
New Mexico	82.7	81.0	80.1
Oklahoma	67.6	71.0	70.8
Texas	57.7	58.9	55.6
Utah	65.4	64.1	62.5
U.S.	56.7	61.3	60.5

Source: Significant Features of Fiscal
Federalism 1984, Advisory
Commission on Intergovernmental
Relations.



Albuquerque placed third in its share of total taxes derived from the general sales tax and fourth in its share from the property tax. Pie charts on the following page display tax revenue sources for the other nine comparison cities. El Paso and Austin had the highest share coming from the property tax. Tulsa, on the other hand, was lowest in the property tax share but uppermost in the general sales tax share. Las Vegas, meanwhile, had the highest portion from selective sales taxes and from the other taxes category because of its unique gaming industry. Tucson and Colorado Springs also received a large share of their general revenue from the general sales tax. A comparison of the pie charts show that both Albuquerque and San Antonio had similar allotments of tax revenue sources.

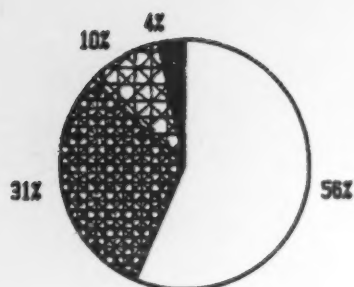
CITY TAX REVENUE BY SOURCE (1982-83)

	ALB	AUS	CSP	ELP	LV	SAC	SLC	SAN	TUC	TUL
TAXES	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
PROPERTY	47.3%	56.7%	23.8%	57.5%	39.6%	33.2%	39.8%	48.8%	13.7%	8.0%
GENERAL SALES	38.2%	30.5%	69.4%	25.5%	0.0%	34.7%	33.1%	38.5%	70.6%	80.8%
SELECTIVE SALES	10.7%	9.5%	4.1%	14.0%	31.4%	19.7%	21.4%	8.7%	9.8%	8.9%
OTHER	3.8%	3.4%	2.7%	2.9%	30.0%	12.3%	5.7%	4.0%	5.9%	2.4%
TAXES (\$000)	66,830	80,071	42,551	65,871	23,077	58,944	50,567	100,607	73,730	117,676

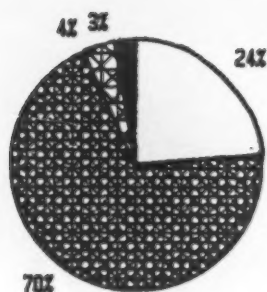
Source: City Government Finances, Bureau of the Census.

Note: Percentage totals may not equal 100% due to rounding.

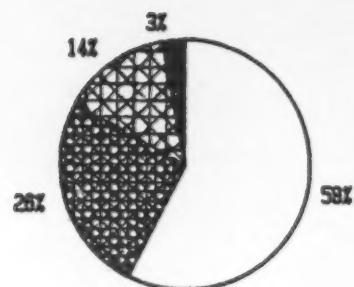
AUSTIN



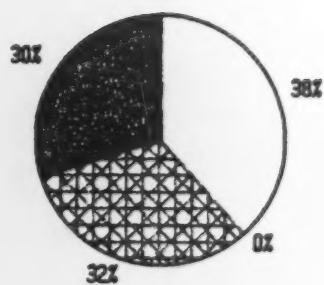
COLORADO SPRINGS



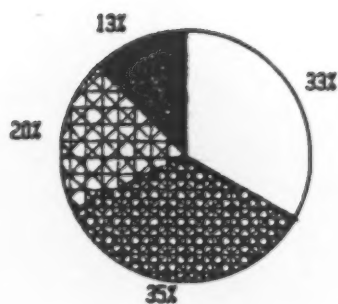
EL PASO



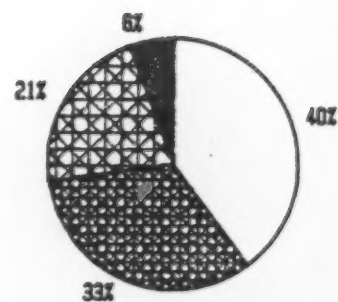
LAS VEGAS



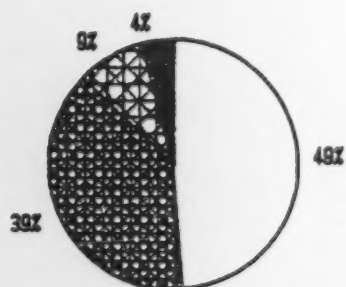
SACRAMENTO



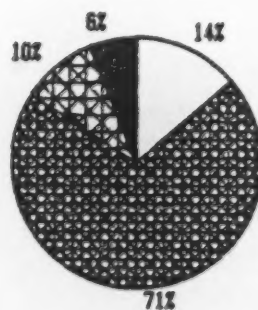
SALT LAKE CITY



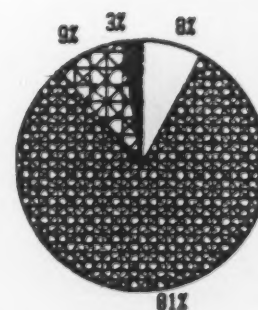
SAN ANTONIO



TUCSON



TULSA



PROPERTY

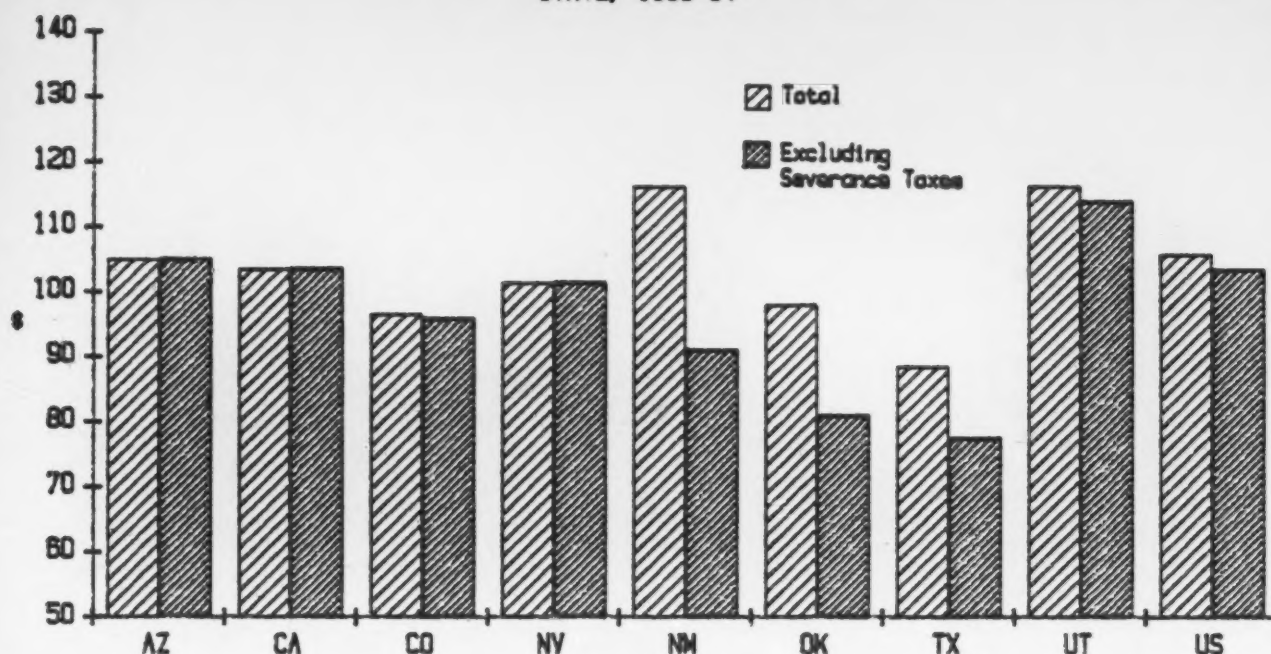
GENERAL SALES

SELECTIVE SALES

OTHER

TAXATION PER \$1000 OF PERSONAL INCOME BY
STATE, 1983-84

42



In 1983-84, Utah had the highest tax burden (as measured by taxes per \$1000 of personal income) among these comparison states. Texas enjoyed the lowest burden. New Mexico's tax load was sixth among these states if severance taxes are excluded. This ranking increases to second if all taxes are considered. As the above graph illustrates, eliminating severance taxes substantially reduces taxation per \$1000 of personal income in Oklahoma, Texas and New Mexico. In the 1976-77 to 1983-84 period, New Mexico, Utah and Oklahoma were the only states to experience an increase in this measure of tax burden.

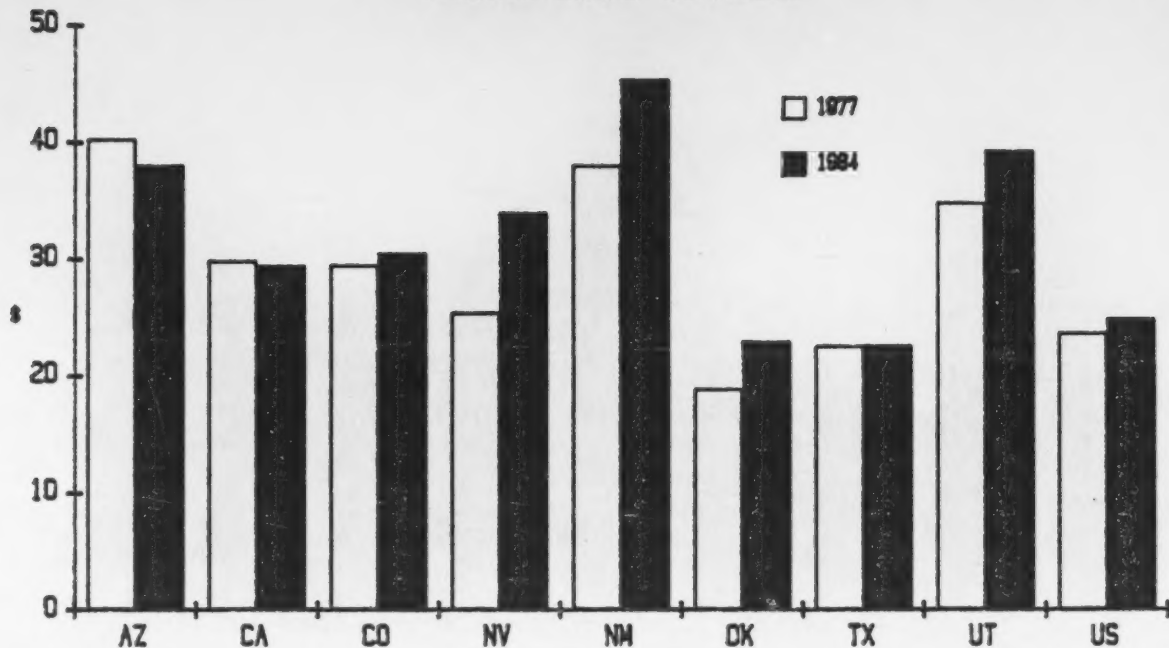
Taxation Per \$1000 of Personal Income By State,
1976-77 and 1983-84

State	1976-77		1983-84	
	Total	Excluding Severance Taxes	Total	Excluding Severance Taxes
Arizona	\$127.7	\$127.7	\$105.2	\$105.2
California	\$135.9	\$135.8	\$103.7	\$103.7
Colorado	\$112.5	\$112.4	\$96.7	\$96.0
Nevada	\$106.8	\$106.8	\$101.6	\$101.6
New Mexico	\$105.5	\$90.9	\$116.4	\$91.2
Oklahoma	\$93.4	\$82.8	\$99.4	\$81.1
Texas	\$92.4	\$82.1	\$88.7	\$77.7
Utah	\$108.1	\$106.9	\$116.5	\$114.1
U.S.	\$114.6	\$113.2	\$106.0	\$103.6

Source: Governmental Finances, State Government Finances
(Severance Taxes) and Bureau of Economic Analysis.

STATE AND LOCAL SALES TAX PER \$1000
PERSONAL INCOME (1977, 1984)

43



New Mexico sprang forth in 1984 to rank first in state and local sales taxes per \$1000 of personal income. New Mexico's high collections result from the state's broad-based gross receipts tax (by definition a charge upon sellers for the privilege of doing business in the state) that offers few exemptions and taxes services. The state can thus maintain a relatively low gross receipts tax rate yet yield large sums of revenue.

For the comparison states, Nevada had the greatest rate of increase whereas Arizona and California registered declines during 1977-84. By using the sales tax per \$1000 of personal income instead of the per capita measure, California's burden was lighter and Utah's heavier. Otherwise, the per capita measure had a minor effect on the rankings. Texas and Oklahoma consistently exhibited the lowest sales tax burden using either measure.

STATE AND LOCAL SALES TAXES

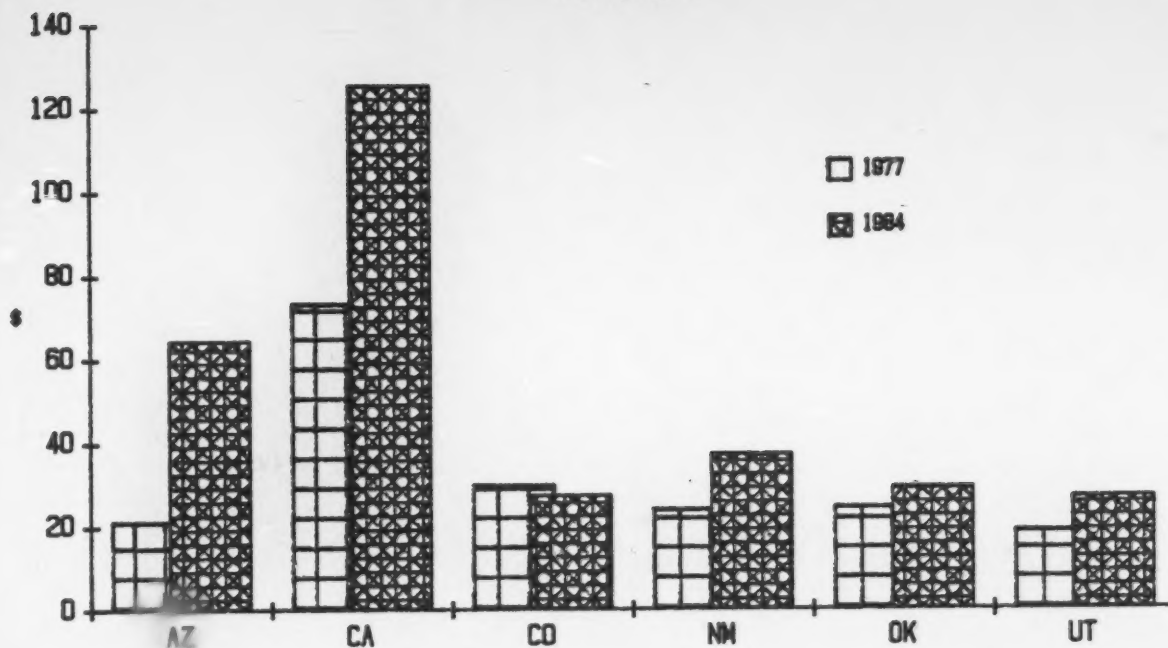
	PER CAPITA		PER \$1000 PERSONAL INCOME	
	1977	1984	1977	1984
ARIZONA	\$249.86	\$450.47	\$40.26	\$38.04
CALIFORNIA	\$234.60	\$426.27	\$29.84	\$29.42
COLORADO	\$209.16	\$422.22	\$29.47	\$30.49
NEVADA	\$198.23	\$451.59	\$25.38	\$33.91
NEW MEXICO	\$217.96	\$464.40	\$37.93	\$45.26
OKLAHOMA	\$119.09	\$267.16	\$18.88	\$22.92
TEXAS	\$151.39	\$284.32	\$22.55	\$22.62
UTAH	\$202.81	\$381.90	\$34.83	\$39.25
UNITED STATES	\$165.49	\$318.48	\$23.70	\$24.90

Sources: Population -- Bureau of the Census.

Sales Tax -- Governmental Finances, Bureau of the Census.

STATE PER CAPITA CORPORATE INCOME TAX (1977, 1984)

44



California's per capita corporate income tax towered above the comparative states, widening the already large gulf. Arizona's per capita tax tripled, giving the state the biggest percentage increase. Yet the per capita corporate tax actually declined in Colorado from 1977-84. Of states with a corporate income tax, which excludes Texas and Nevada, Utah's tax incidence was smallest. New Mexico's per capita tax advanced from fourth to third place, from \$24.07 in 1977 to \$37.50 in 1984.

For the alternative measure, corporate income tax per private employee, only Colorado showed any significant difference with the lowest tax burden in 1984. California remained on top and New Mexico's rank was unchanged.

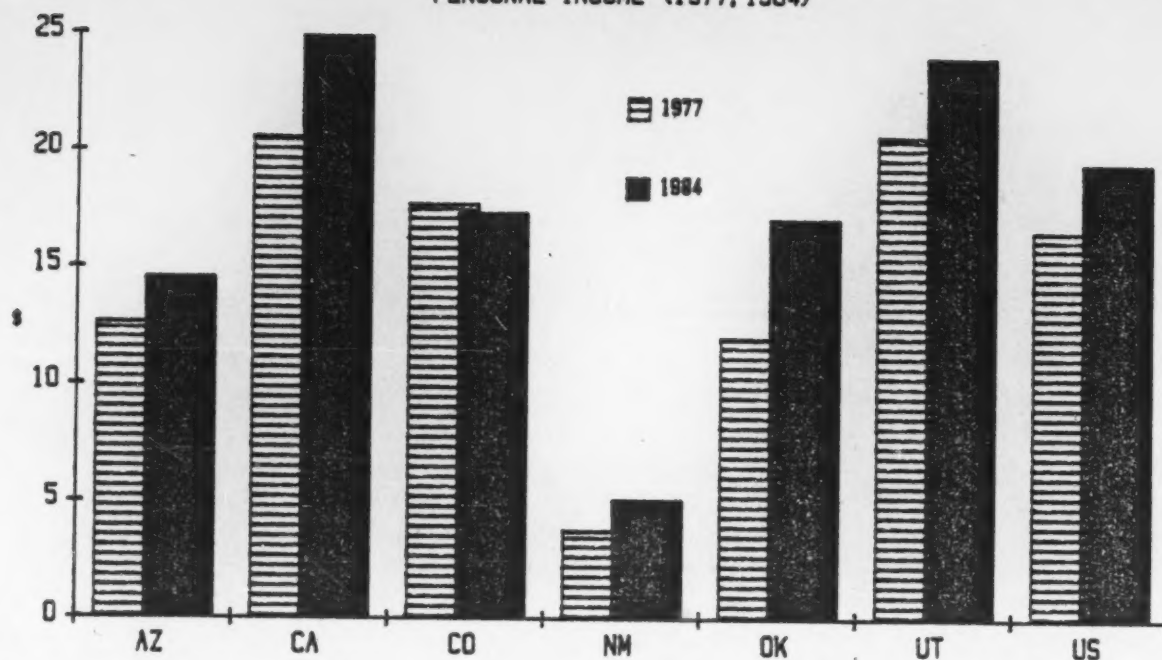
NET CORPORATE INCOME TAX (1977, 1984)

	PER PRIVATE EMPLOYEE		PER CAPITA	
	1977	1984	1977	1984
ARIZONA	\$82.54	\$202.49	\$21.34	\$64.65
CALIFORNIA	\$239.33	\$364.81	\$73.45	\$125.63
COLORADO	\$96.27	\$76.88	\$29.89	\$27.60
NEVADA	\$0.00	\$0.00	\$0.00	\$0.00
NEW MEXICO	\$96.87	\$142.93	\$24.07	\$37.50
OKLAHOMA	\$93.05	\$103.53	\$24.65	\$29.48
TEXAS	\$0.00	\$0.00	\$0.00	\$0.00
UTAH	\$66.68	\$95.76	\$18.90	\$27.26
UNITED STATES	\$136.22	\$197.66	\$41.74	\$65.68

sources: Employment -- Supplement to Employment and Earnings, U.S. Department of Labor, Bureau of Labor Statistics.
Population -- Bureau of the Census.
Corporate Income Tax -- State Government Finances, Bureau of the Census.

STATE INDIVIDUAL INCOME TAX PER \$1000
PERSONAL INCOME (1977, 1984)

45



California, closely followed by Utah, had the highest state individual income tax per \$1000 of personal income. Neither Texas nor Nevada have an income tax. But of those states with an individual income tax, New Mexico ranked well below its competitors. Between 1977-84 the individual income tax gained as a share of personal income in the the U.S. and for all comparison states except Colorado.

For the alternative measure, state per capita income tax, the states generally maintained their relative positions. California was clearly prominent in per capita individual income taxes for 1977 and 1984 while Oklahoma experienced the greatest rate of growth.

STATE INDIVIDUAL INCOME TAXES

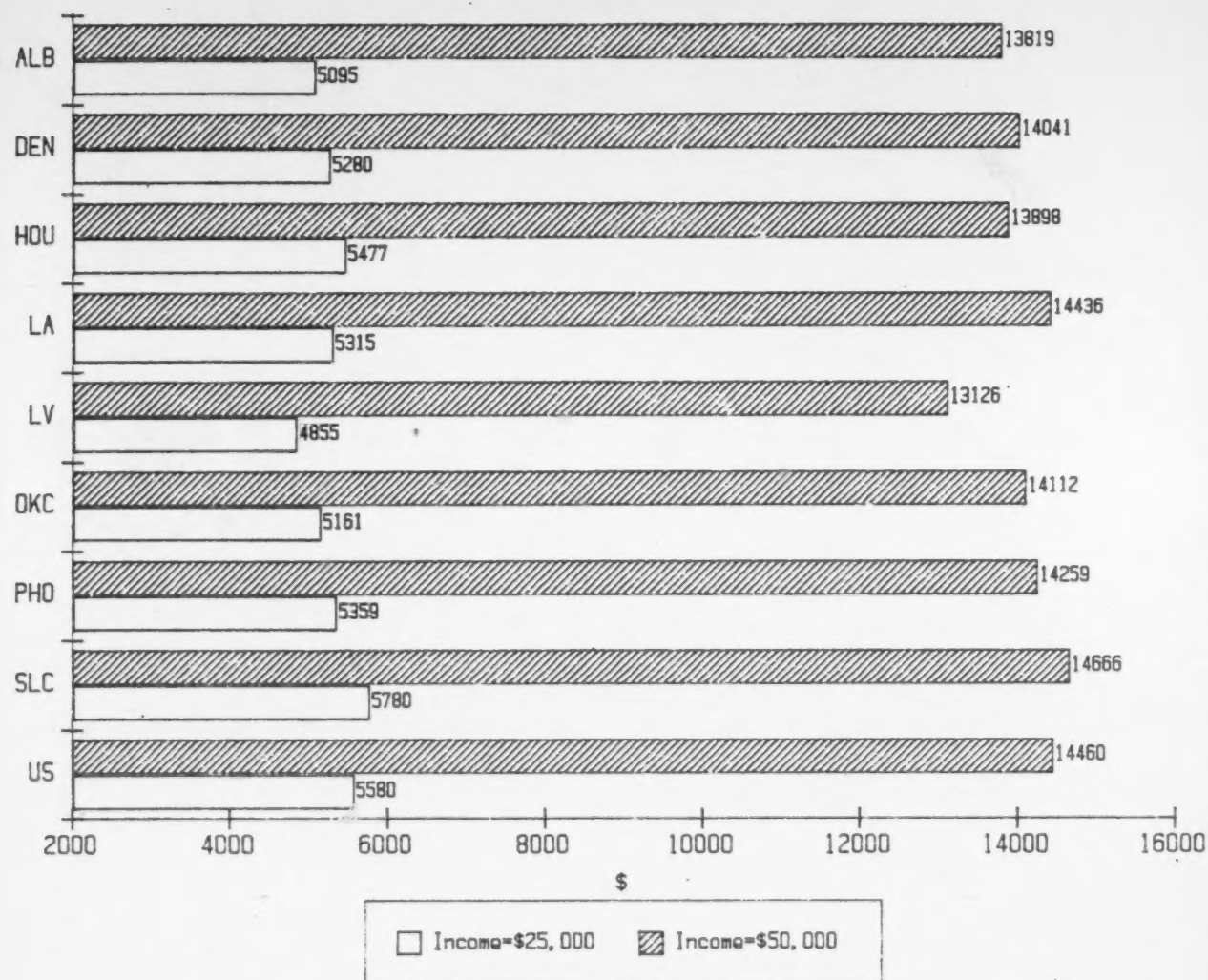
	PER CAPITA		PER \$1000 PERSONAL INCOME	
	1977	1984	1977	1984
ARIZONA	\$78.53	\$173.03	\$12.65	\$14.61
CALIFORNIA	\$162.01	\$360.57	\$20.60	\$24.89
COLORADO	\$125.71	\$240.29	\$17.71	\$17.35
NEVADA	\$0.00	\$0.00	\$0.00	\$0.00
NEW MEXICO	\$21.75	\$52.57	\$3.78	\$5.12
OKLAHOMA	\$75.66	\$199.46	\$12.00	\$17.11
TEXAS	\$0.00	\$0.00	\$0.00	\$0.00
UTAH	\$120.26	\$233.69	\$20.66	\$24.02
UNITED STATES	\$116.00	\$249.59	\$16.61	\$19.52

sources: Population -- Bureau of the Census.

Income -- Bureau of Economic Analysis.

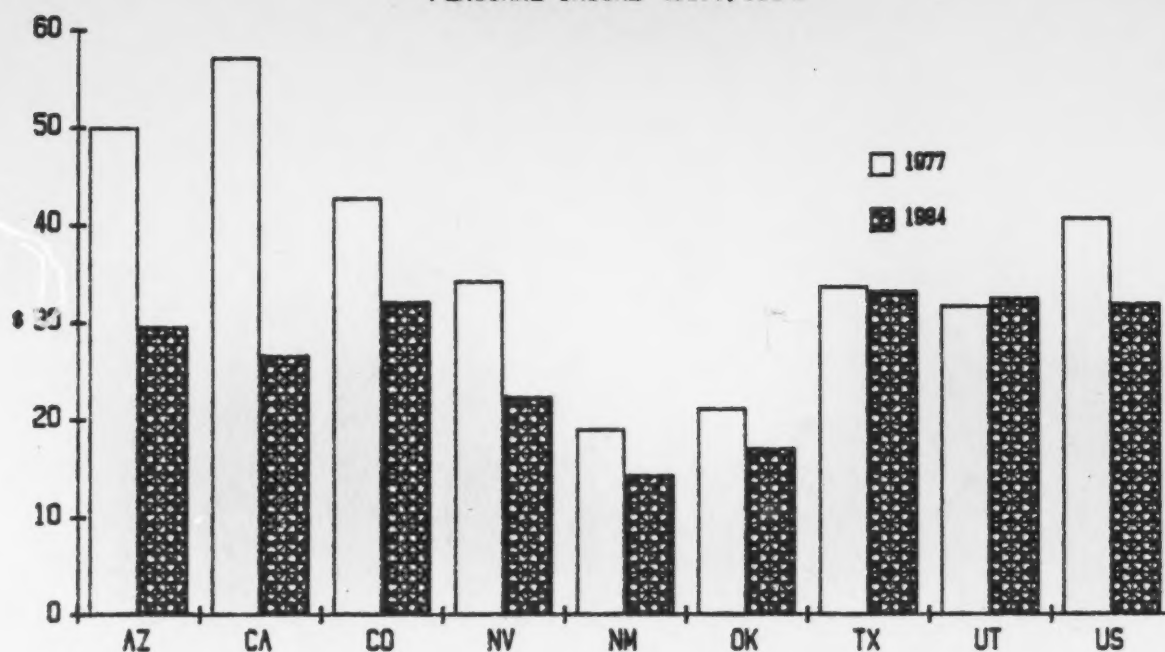
Income Tax -- State Government Finances, Bureau of the Census.

1982 PERSONAL TAX BURDEN FOR A MARRIED COUPLE IN SELECTED CITIES



The above graph indicates the total taxes (local, state and federal) paid by a married couple with two dependents and annual income of \$25,000 or \$50,000 in 1982. The data was collected by the Advisory Commission on Intergovernmental Relations, Washington D.C. and is available only for the largest city in each state. For the lower income family, the taxes range from a low of \$4,855 in Las Vegas to a high of \$5,780 in Salt Lake City (the only comparison city to exceed the U.S. median). A "typical family" in Albuquerque paid the second lowest taxes among the comparison cities. For the higher income family, total taxes in Albuquerque of \$13,819 were the second lowest among the comparison cities and the seventh lowest nationally.

STATE AND LOCAL PROPERTY TAX PER \$1000 PERSONAL INCOME (1977, 1984)



For the state property tax per \$1000 personal income, New Mexico, along with Oklahoma, sat near bottom in 1977 and 1984. The tax declined among all comparison states, besides Utah, as big drops occurred in California, Arizona, and Nevada. Three comparison states were higher than the U.S. average for both years. California and Arizona ranked highest in 1977 but by 1984 these states were replaced by Texas and Utah.

The relative position of several states changed using the per capita property tax measure as the burden for California and Colorado appeared heftier and for Utah considerably lighter.

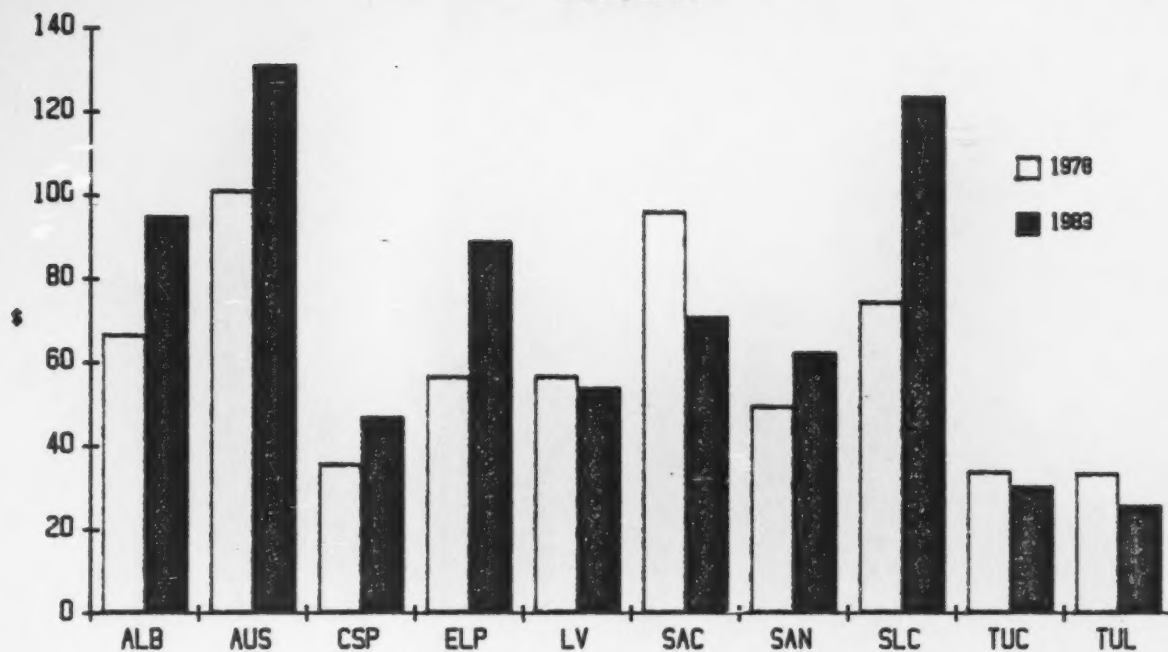
State and Local Property Tax Data By State

State	Per \$1000 Personal Income		Per Capita (\$)	
	1977	1984	1977	1984
Arizona	50.09	29.58	310.84	350.21
California	57.23	26.59	450.01	385.23
Colorado	42.78	32.17	303.64	445.47
Nevada	34.33	22.39	268.14	298.13
New Mexico	19.12	14.39	109.88	147.61
Oklahoma	21.24	17.13	133.95	199.61
Texas	33.74	33.24	226.49	417.85
Utah	31.71	32.52	184.65	316.40
U.S.	40.74	31.94	284.52	408.44

Source: Governmental Finances, Bureau of Census,
Bureau of Economic Analysis (Pers.Inc.),
and Bureau of Census (Population).

PER CAPITA CITY PROPERTY TAX REVENUES
(1978, 1983)

48



Albuquerque ranked third in 1983, up a notch from 1978, in per capita property tax revenue. Salt Lake City experienced the largest percentage increase while Sacramento and Tulsa decreased the most. Half of the cities registered absolute declines. Austin maintained the peak position in both years and Salt Lake City, by 1983, ascended to second place. Tulsa and Tucson consistently placed in the cellar.

CITY PROPERTY TAX REVENUES (1978, 1983)

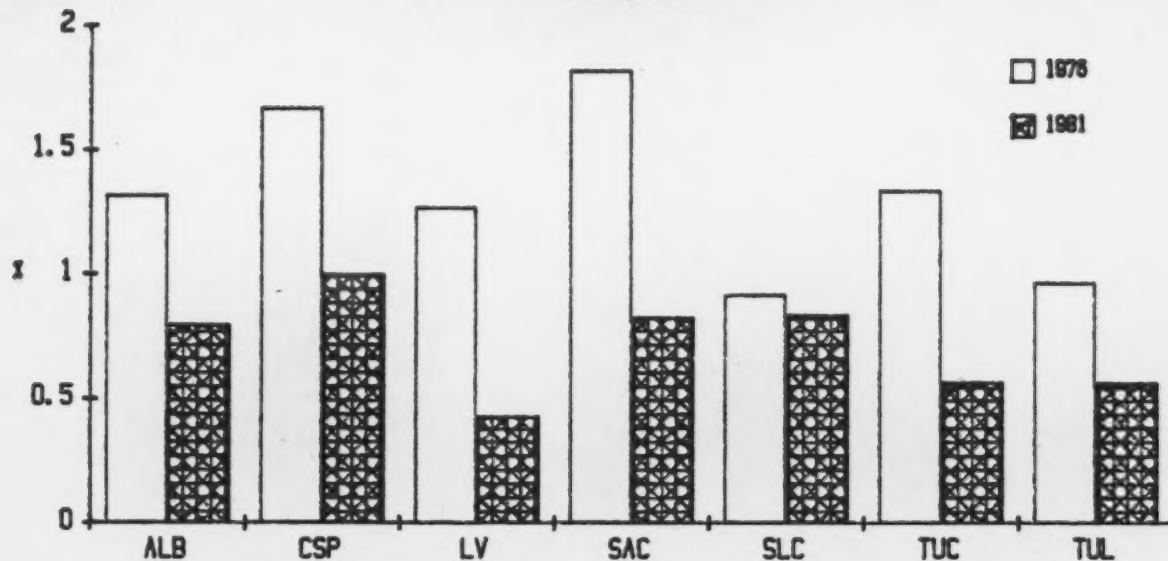
	TOTAL (\$000)		PER CAPITA (\$)	
	1978	1983	1978	1983
ALBUQUERQUE	19,405	31,610	66.64	95.14
AUSTIN	32,693	45,376	101.14	131.19
COLORADO SPRINGS	6,554	10,132	35.71	47.16
EL PASO	22,410	37,876	56.67	89.07
LAS VEGAS	9,127	8,911	56.66	54.11
SACRAMENTO	25,396	19,586	96.01	71.03
SAN ANTONIO	39,251	49,074	49.47	62.43
SALT LAKE CITY	12,454	20,148	74.39	123.58
TUCSON	10,206	10,098	33.89	30.55
TULSA	11,182	9,364	33.44	25.94

Source: City Government Finances, Bureau of the Census.

Note: Property tax revenue is the city collected portion only and excludes state imposed and collected taxes.

EFFECTIVE PROPERTY TAX RATES BY CITY (1976, 1981)

49



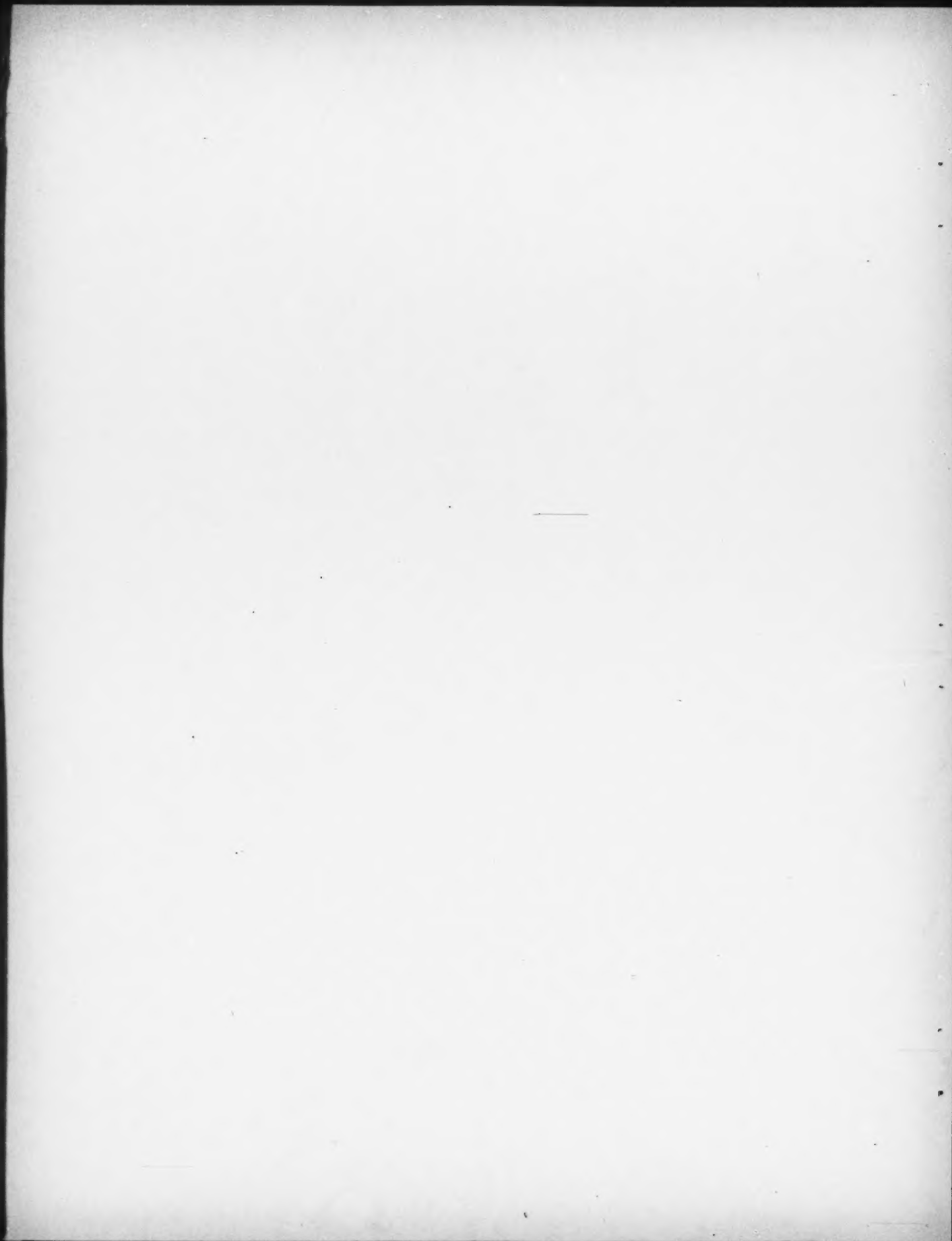
Albuquerque's effective property tax rate diminished from 1.32 to 0.80 percent during 1976-81, placing the city in the middle of its competitors. Sacramento had the highest effective rate in 1976 but dropped to third place by 1981. Colorado Springs registered the top rate of 1.0 percent in 1981 while Las Vegas experienced the lowest effective rate and also had the largest percentage decline. For these states, California had the highest effective rate, at 2.21 percent in 1977, but by 1980 the rate plummeted to 0.98 percent as a result of Proposition 13. The effective rate in most comparison states declined during 1977-83. Texas ranked first by 1983 while Nevada's effective rate fell to last among the states.

EFFECTIVE PROPERTY TAX RATES BY CITY AND STATE (%)

	1976	1981		1977	1980	1983
ALBUQUERQUE	1.32	0.80	ARIZONA	1.72	1.16	0.71
AUSTIN	NA	NA	CALIFORNIA	2.21	0.98	1.05
COLORADO SPRINGS	1.67	1.00	COLORADO	1.90	1.05	0.95
EL PASO	NA	NA	NEVADA	1.71	1.22	0.68
LAS VEGAS	1.27	0.43	NEW MEXICO	1.65	1.12	0.90
SACRAMENTO	1.82	0.83	OKLAHOMA	0.95	0.91	0.89
SAN ANTONIO	NA	NA	TEXAS	1.84	1.57	1.36
SALT LAKE CITY	0.92	0.84	UTAH	1.03	1.02	0.97
TUCSON	1.34	0.57				
TULSA	0.97	0.57	UNITED STATES	1.67	1.28	1.31

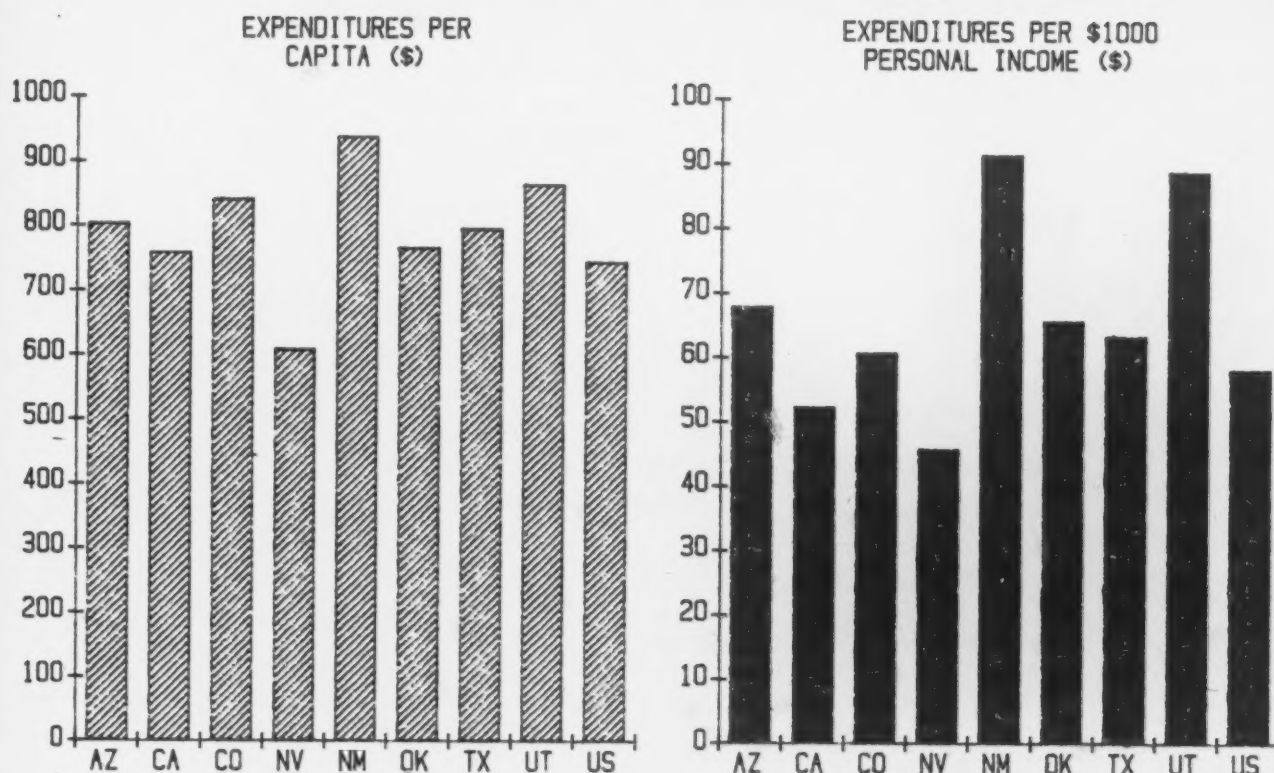
Sources: 1982 Census of Governments, Bureau of the Census. (city)
Significant Features of Fiscal Federalism, Advisory Commission
on Intergovernmental Relations. (state)

Note: The effective rate is the tax paid on property of equal value in each locality. The effective rate does not take into account differences in property values between localities. The effective rate for Albuquerque in 1981 is 0.80 percent so that the property tax on a \$100,000 home is \$800.



EDUCATION EXPENDITURE AND QUALITY COMPARISON

1. ALL EXPENDITURES PER CAPITA AND PER \$1000 PERSONAL INCOME
2. PUBLIC SCHOOL REVENUE BY SOURCE
3. PER CAPITA EXPENDITURES FOR PUBLIC SCHOOLS
4. STATE AND LOCAL EXPENDITURES PER PUPIL
5. PUPIL-TEACHER RATIO
6. CLASSROOM TEACHERS PER 100 EMPLOYEES
7. STATE AND LOCAL HIGHER EDUCATION EXPENDITURES PER STUDENT
8. ENROLLMENT IN TWO-YEAR COLLEGES, TUITION CHARGES IN PUBLIC INSTITUTIONS
9. APPROPRIATION AND TUITION PER STUDENT IN HIGHER EDUCATION
10. QUALITY RANKINGS OF UNIVERSITIES

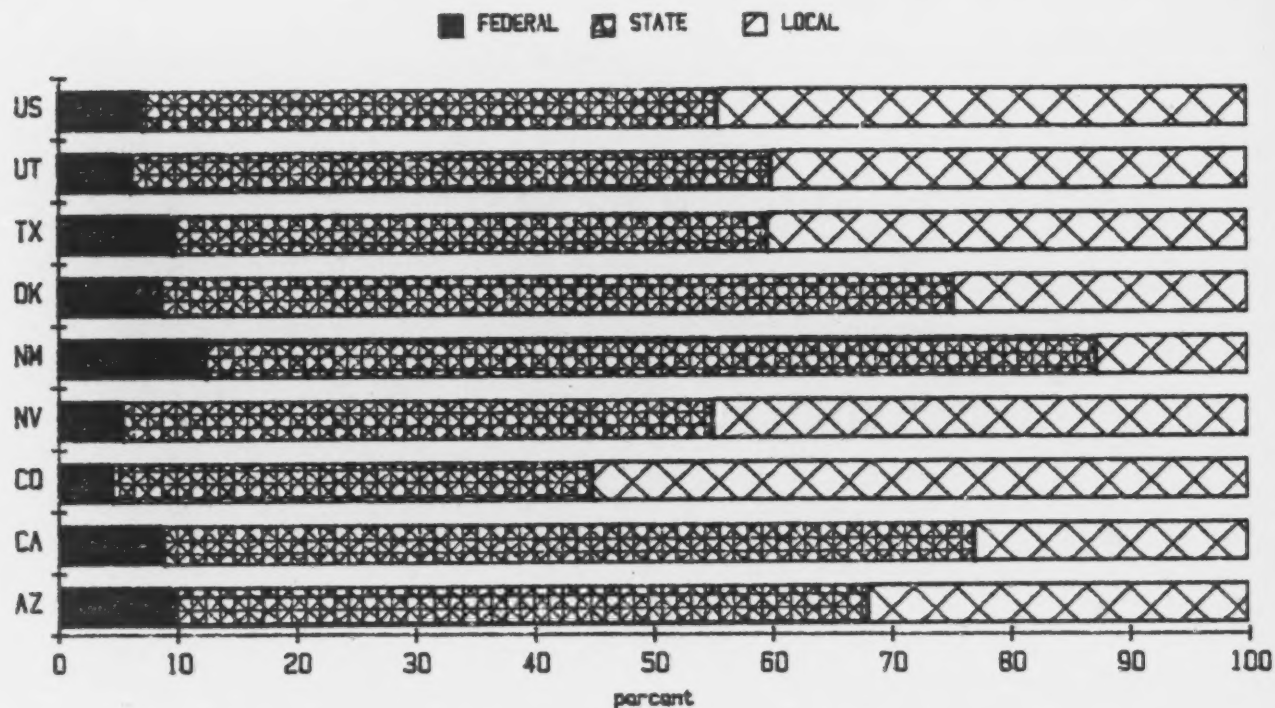


New Mexico's funding for all education- measured on a per capita or a per \$1000 personal income basis- exceeds that of all the comparison states. Nevada provides the least money for education. The table below also presents expenditures with capital outlays excluded. Once again, New Mexico's expenditures far exceed the U.S. average although the state falls below Utah when considering expenditures per \$1000 of personal income.

Education Expenditures for Selected Western States, 1983-84

State	Total Education Expenditures (\$M)	Total Expenditures Per Capita (\$)	Total Expenditures Per Capita (Less Capital Outlay)	Total Expenditures Per \$1000 Personal Inc. (\$)	Total Expenditures Per \$1000 Personal Inc. (Less Capital Outlay)
Arizona	2453.0	803.5	707.5	67.9	59.8
California	19450.2	759.1	725.4	52.4	50.1
Colorado	2674.2	841.5	766.2	60.8	55.3
Nevada	555.5	609.8	585.5	45.8	44.0
New Mexico	1337.2	939.0	812.5	91.5	79.2
Oklahoma	2528.3	766.6	686.7	65.8	58.9
Texas	12739.2	796.7	695.8	63.4	55.3
Utah	1429.5	865.3	777.6	88.9	79.9
US	176107.6	745.7	698.7	58.3	54.6

Source: Governmental Finances in 1983-84, U.S. Bureau of Census (Educational Expenditures); U.S. Bureau of Census (Population) and Bureau of Economic Analysis (Personal Income).



New Mexico's public school funds primarily derive from state sources (from gross receipts redistribution and permanent fund earnings). New Mexico had the highest portion coming from state sources for both 1970-71 and 1982-83, increasing from 60.5 to 74.8 percent. Federal and local funding shares for education declined for most comparison states and for the U.S. while the state share increased. New Mexico also received the largest portion of funds from federal sources during the two periods. Five states had dominant local funding in 1970-71 but by 1982-83 only Colorado had greater local funding of education. For all other comparison states the state funding share was dominant.

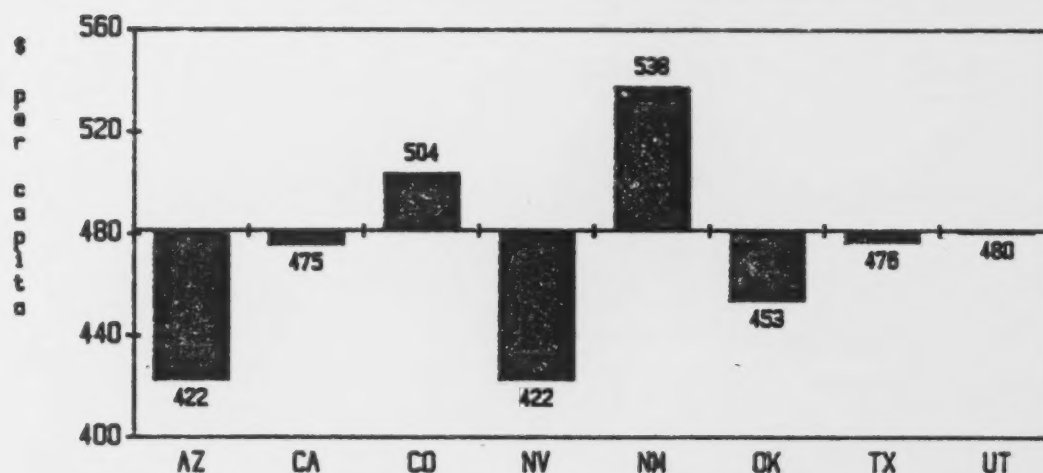
During the seventies funding shifted from local to state sources as more states shifted away from the property tax and toward better equalization of funds for intrastate distribution.

Percentage Distribution of Federal, State and Local Revenues for Public Elementary/Secondary Education, by State: 1970-71 and 1982-83

	1970-71			1982-83		
	Federal	State	Local	Federal	State	Local
Arizona	6.4	31.8	61.8	9.6	58.4	32.0
California	7.4	34.7	57.9	8.8	69.1	23.1
Colorado	7.8	29.4	62.8	4.5	40.3	55.2
Nevada	8.1	36.6	55.3	5.4	49.6	45.0
New Mexico	19.0	60.5	20.5	12.4	74.8	12.8
Oklahoma	12.8	40.1	47.1	8.7	66.4	24.8
Texas	10.3	45.5	44.2	9.6	50.0	40.4
Utah	9.7	51.5	38.8	6.0	54.0	40.1
U.S.	8.4	39.1	52.5	7.1	48.3	44.6

Source: *The Condition of Education 1985*, National Center for Education Statistics, U.S. Department of Education.

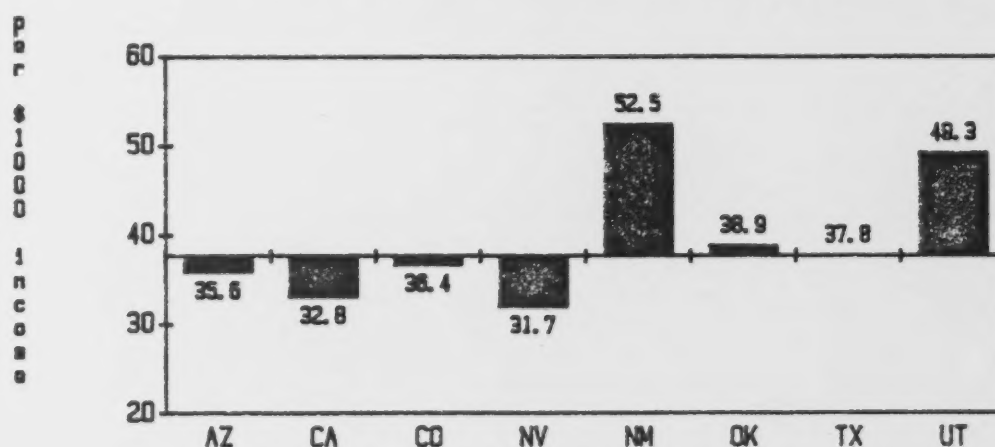
**PER CAPITA CURRENT EXPENDITURE FOR PUBLIC SCHOOLS, BY
STATE, 1983-84 (U.S. average = \$481)**



On a per capita basis, New Mexico spent the highest for public education, at \$538 per head. As the chart depicts, all other comparative states, except Colorado, spent less than the national average, with California, Texas and Utah roughly around the average but with Arizona and Nevada spending well below it.

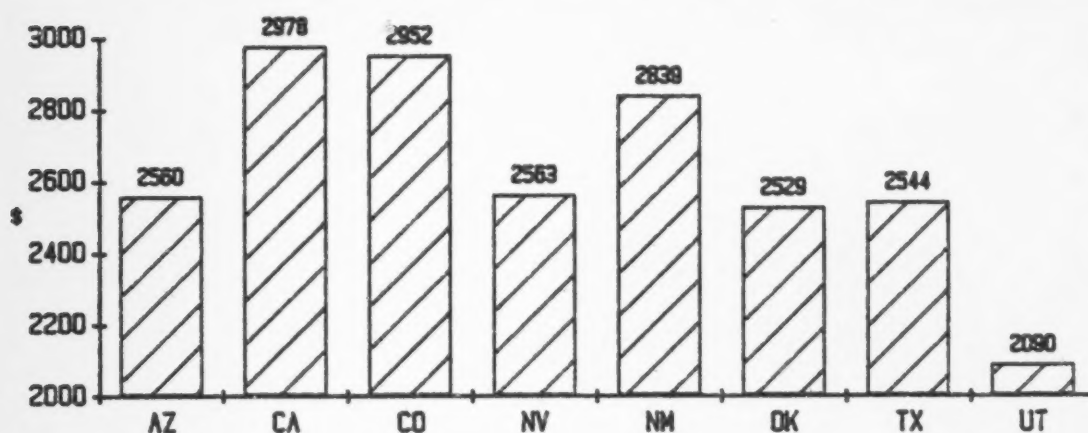
For the alternative measure, current expenditure per \$1000 of personal income, New Mexico again ranked first, at \$52.50, and Utah second. Nevada and California, by contrast, spent the least, while the other states hovered around the national average of \$37.60.

**CURRENT EXPENDITURE FOR PUBLIC SCHOOLS PER \$1000 PERSONAL
INCOME, BY STATE, 1983-84 (U.S. average = \$37.60)**



Source: *State and Local Expenditures*, 1985, U.S. Bureau of Census
Education Expenditures, 1985, U.S. Bureau of Census
Population and Bureau of Economic Analysis, *Personal Income*, 1985

STATE AND LOCAL CURRENT EXPENDITURES PER PUPIL ENROLLED, 1983-84



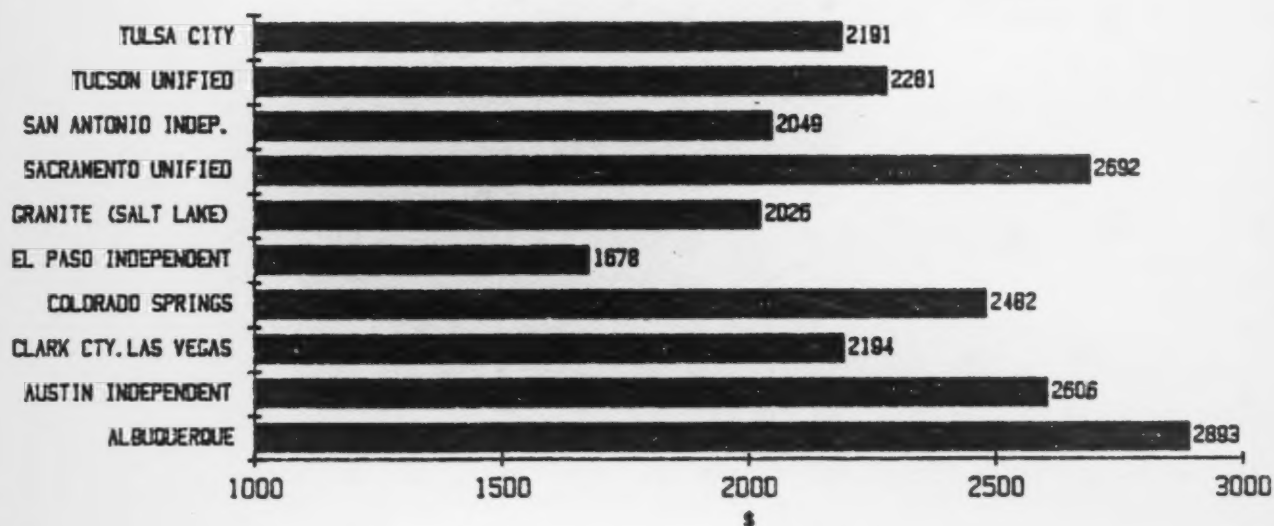
Expenditure source: Governmental Finances in 1983-84, U.S. Bureau of the Census.

Enrollment source: The Condition of Education 1985, National Center for Education Statistics.
(1980 preliminary enrollment data)

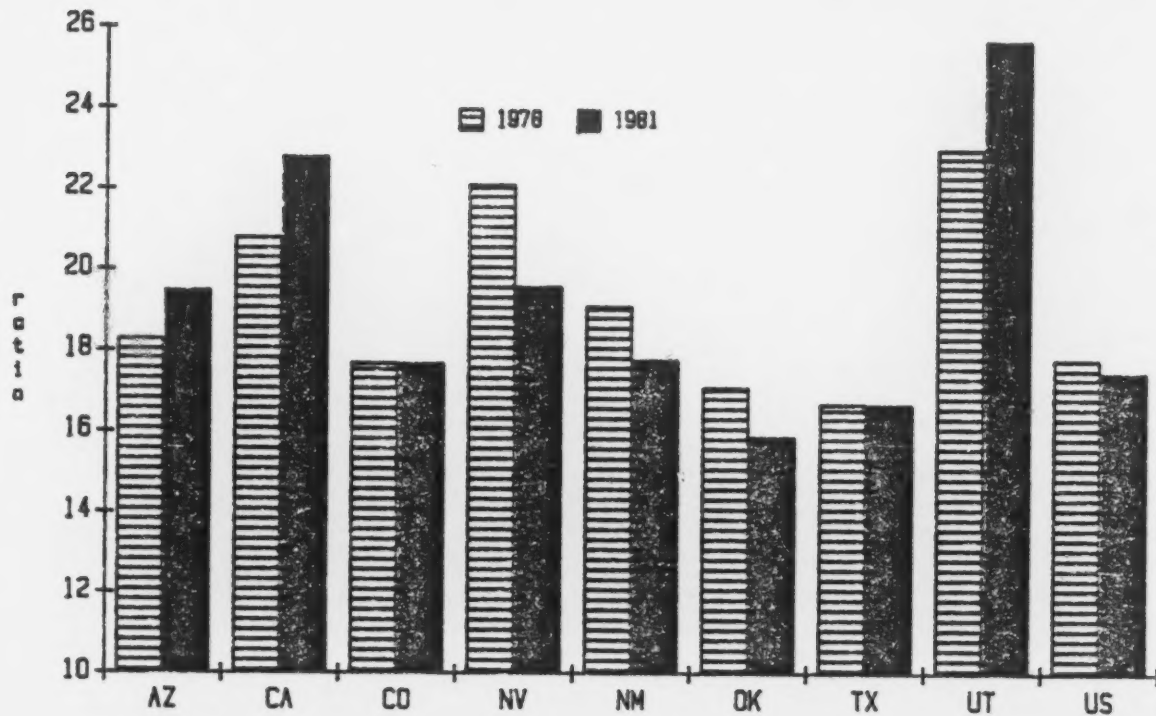
Among the comparison states, California, Colorado and New Mexico are the top three in current expenditures per pupil enrolled. Utah, in contrast, spent far less than all comparative states. Though Utah allocates a lot of resources to public education, the state's rapidly increasing enrollment outpaces expenditures such that the state spends much less per pupil.

The chart below shows that the Albuquerque Public Schools spent the most in current expenditures per pupil while the El Paso Independent School District spent the least.

CURRENT EXPENDITURES PER PUPIL BY SCHOOL DISTRICT 1981-82 (in average daily attendance)



PUPIL PER TEACHER RATIO, BY STATE (1978, 1981)



The pupil per teacher ratio measures classroom load and is considered a qualitative measure on public education. Utah had the highest pupil per teacher ratio in 1978 and 1981 while Oklahoma was lowest. Colorado came close to the U.S. average for both years, yet as shown, the region had a higher overall pupil per teacher ratio than the U.S. New Mexico's pupil per teacher ratio improved from 19.1 to 17.8 during 1978-81, bettering its relative rank and skirting close to the U.S. average of 17.5 by 1981.

By comparing school districts to their respective states, Austin and Albuquerque, ranking first and second respectively, had similar ratios as their states. All other school districts had higher pupil per teacher ratios than their respective states.

Pupil per Teacher Ratio, by School District and State

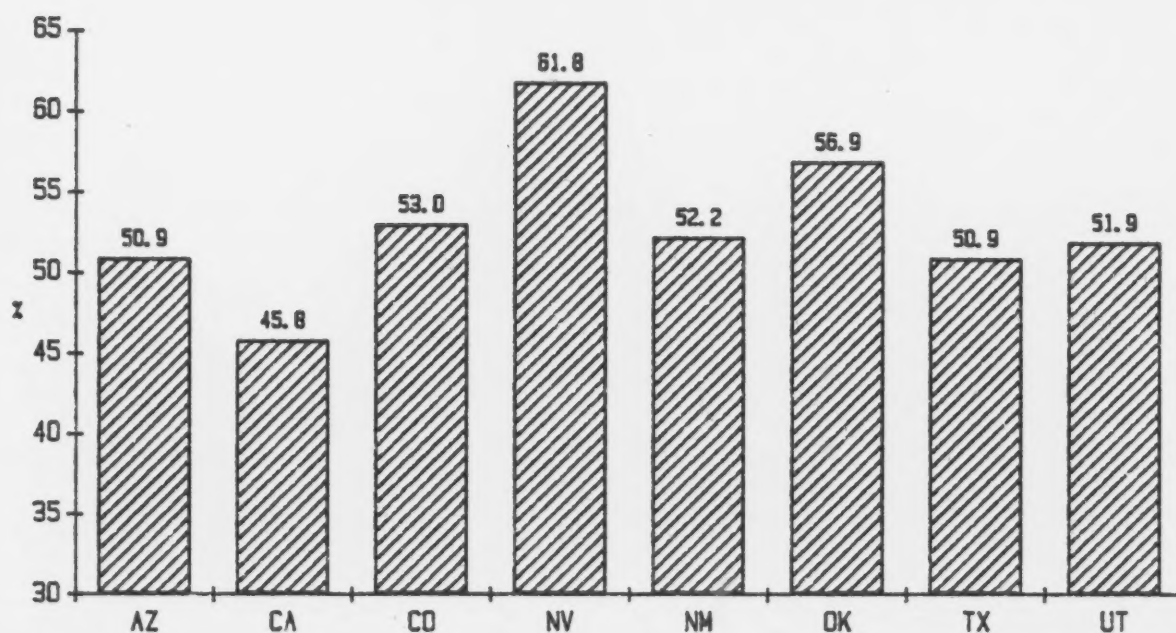
Representative School District	1981 Ratio	State	1978 Ratio	1981 Ratio
Albuquerque	17.8	Arizona	18.3	19.5
Austin Independent	16.5	California	*20.8	22.8
Clark County (Las Vegas)	22.3	Colorado	17.7	17.7
Granite (Salt Lake City)	27.4	Nevada	22.1	19.6
Sacramento City Unified	24.1	New Mexico	19.1	17.8
San Antonio Independent	19.8	Oklahoma	17.1	15.9
Tucson Unified	21.8	Texas	16.7	16.7
Tulsa City	20.1	Utah	23.0	25.7
		U.S.	17.8	17.5

* California's pupil/teacher ratio is for 1979-80.

Note: Ratio is based upon Fall 1981 average daily attendance. Data was unavailable for El Paso and Colorado Springs.

Source: Digest of Education Statistics (1978-79) (1983-84), National Center for Education Statistics.

CLASSROOM TEACHERS PER 100 PUBLIC EDUCATION EMPLOYEES, BY STATE,
1981-82 (full time equivalent)



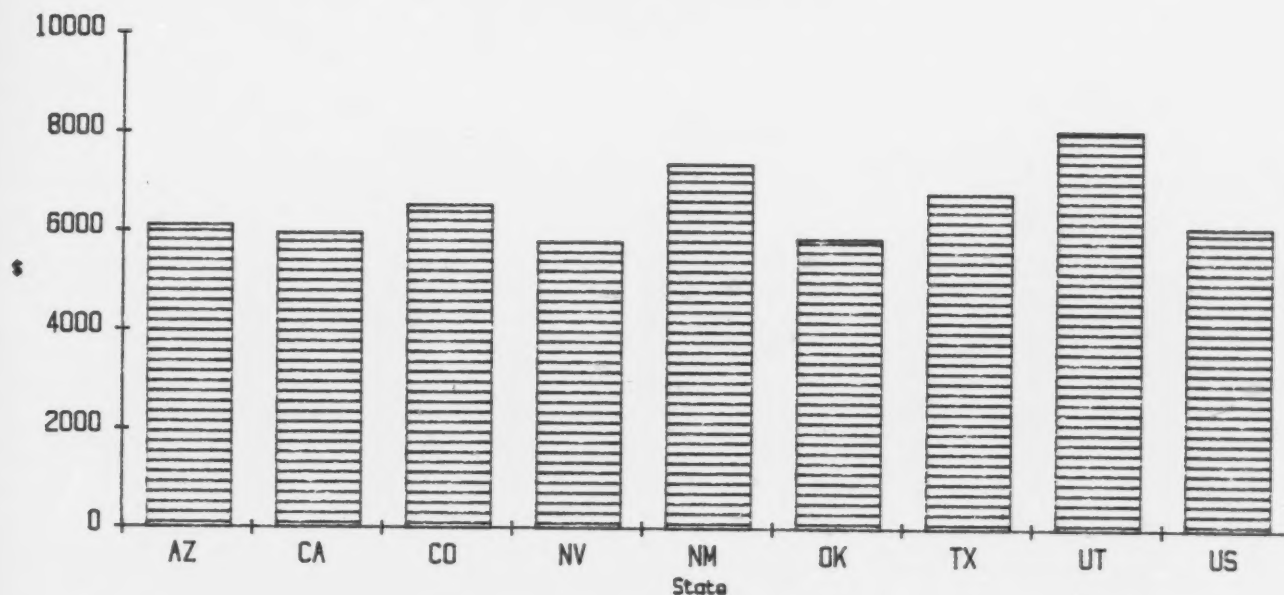
The measure of classroom teachers per 100 education employees demonstrates resource allocation. As states have different educational needs, they must allocate resources accordingly. All states were similar on administration percentages but differed widely on nonprofessional support staff.

Nevada, in 1981-82, was well above the other comparison states with nearly two-thirds of education employees practicing as classroom teachers. States can be divided along the following lines. Nevada and Oklahoma had the largest percentage of classroom teachers per 100 education employees, California the lowest percentage, with all other states having fairly similar allocations (including New Mexico).

Source: Public Education Statistics, 1981-82
United States, 1981-82 - Statistical Cooperation
 National Center for Education Statistics, U.S. Department
 of Education.

STATE AND LOCAL HIGHER EDUCATION
EXPENDITURE PER FULL-TIME STUDENT,
1983-84

58



The chart indicates the level of expenditures for higher education (less capital outlay) per full-time equivalent (FTE) student. Utah allocates the most funding per student while Nevada, the least. New Mexico spends the second most per student among these western states.

On a per capita and a per \$1000 of personal income basis (see table below), Utah and Nevada once again rank first and last respectively. On a per capita basis, New Mexico declines to third in the region in its support of higher education.

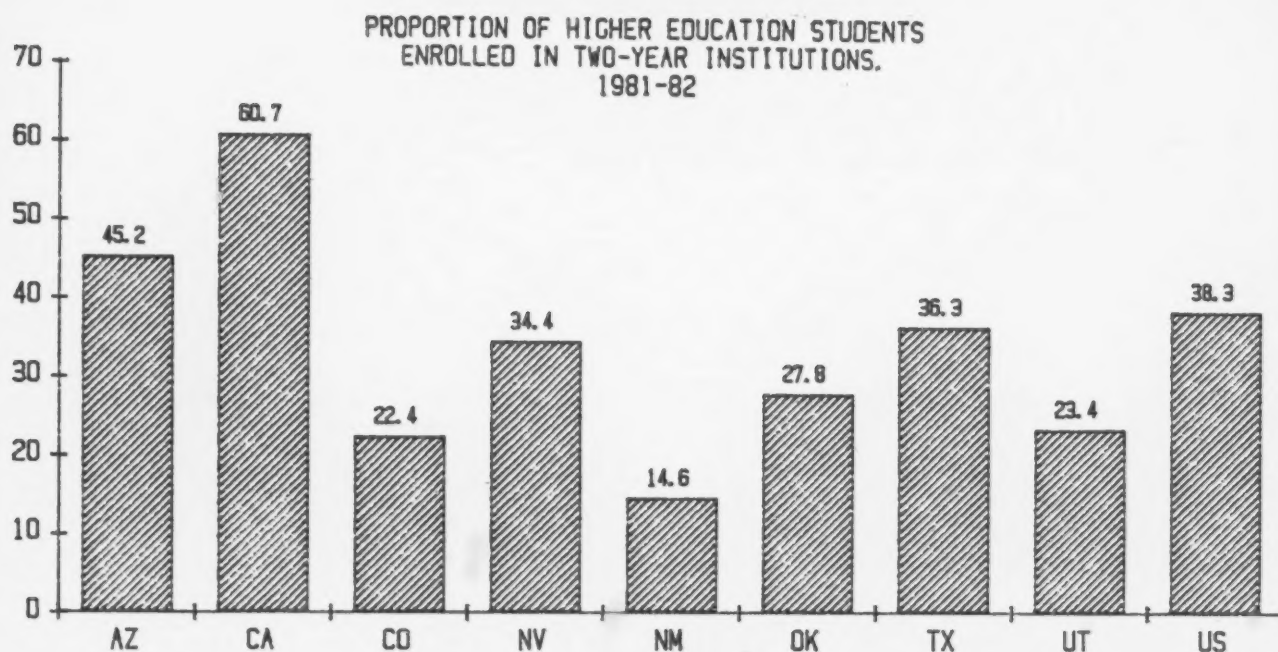
State and Local Expenditures for Higher Education
1983-84

State	Total Higher Education Expenditures (\$m)	Higher Education Capital Outlays (\$m)	State Personal Income (1984) (\$b)	State Population (1984) (m)	FTE Students (1983-84)	Higher Education Expenditures Less Capital Outlay (\$) *****		
						Per Capita	Per \$1000 Personal Income	Per FTE Student
Arizona	862.2	74.9	36.151	3.053	129,422	257.9	21.8	6130.6
California	6291.0	435.4	371.202	25.622	977,450	228.1	15.7	5980.5
Colorado	811.4	40.8	44.004	3.178	117,536	242.5	17.5	6556.3
Nevada	138.4	6.1	12.132	0.911	22,747	145.2	10.9	5816.2
New Mexico	409.5	54.1	14.610	1.424	47,986	249.6	24.3	7406.3
Oklahoma	725.2	52.2	38.438	3.298	114,239	204.1	17.5	5891.2
Texas	3759.0	441.4	201.013	15.989	486,191	207.5	16.5	6823.7
Utah	483.0	43.7	16.074	1.652	54,169	265.9	27.3	9109.9
US	47612.9	3954.7	3020.259	236.158	7,102,476	185.3	14.5	6161.0

Source: Governmental Finances in 1983-84, U.S. Bureau of Census (Higher Education Expenditures); Halstead, Kent, How States Compare in Financing Higher Education 1984-85 (FTE Students), National Institute of Education; U.S. Bureau of Census (Population) and Bureau of Economic Analysis (Personal Income).

TWO YEAR COLLEGE ENROLLMENT AND TUITION IN SELECTED WESTERN STATES

59



An aspect of New Mexico's higher education system is the small enrollment in two-year institutions, the smallest among the comparison states. On the other hand, California has over 60 percent of its full time equivalent students in two-year institutions (Source: Halstead, Kent, How States Compare in Financing Higher Education, 1985, p.23). This is important to consider since it cost substantially more to educate a student at a four-year institution (\$7861/year at a four-year institution vs. \$3116/year at a two-year institution, Condition of Education, 1983 ed., National Center For Education Statistics, Table 2.17).

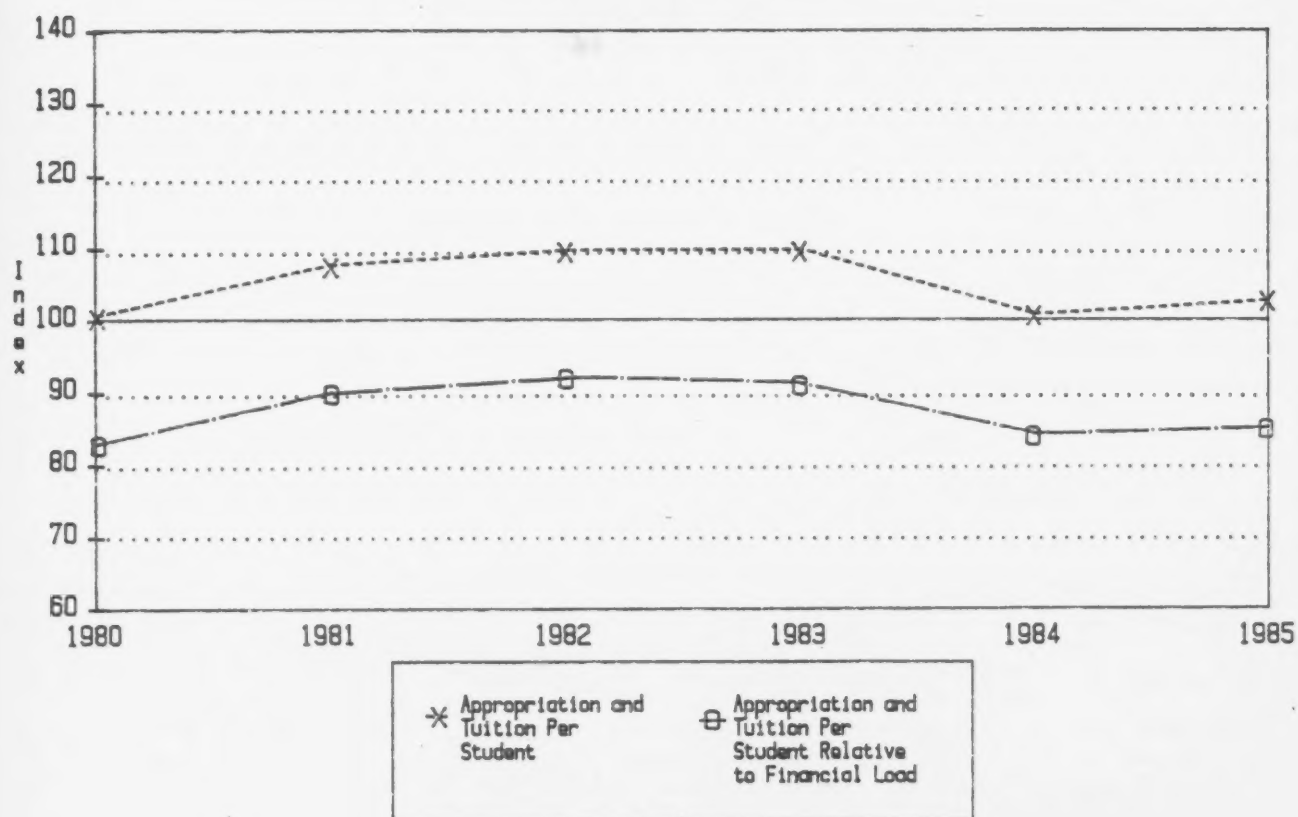
Annual Tuition Per Full-Time Equivalent Student at all Public Institutions

State	1977-7 (\$)	1984-85 (\$)	Average Annual Percent Change
Arizona	570	956	9.7
California	162	500	29.8
Colorado	630	1622	22.5
Nevada	662	1098	9.4
New Mexico	381	590	7.8
Oklahoma	440	650	6.8
Texas	387	580	7.1
Utah	572	948	9.4
U.S.	547	1055	13.3

Source: Halstead, Kent, How States Compare in Financing Higher Education (May 1985)
National Institute of Education.
Tuition is measured net of state
financial aid.

With the exception of Nevada and Colorado, all the comparison states charge less tuition than the U.S. average. New Mexico had the fourth lowest tuition in the U.S. in 1984-85. Only Texas, North Carolina and California public higher education students paid less tuition than students in New Mexico.

APPROPRIATION AND TUITION PER STUDENT IN
HIGHER EDUCATION IN NEW MEXICO, 1979-80
TO 1984-85 (U.S.=100)



1984-85 Appropriations and Tuition Per Student
(Index Value, U.S.=100)

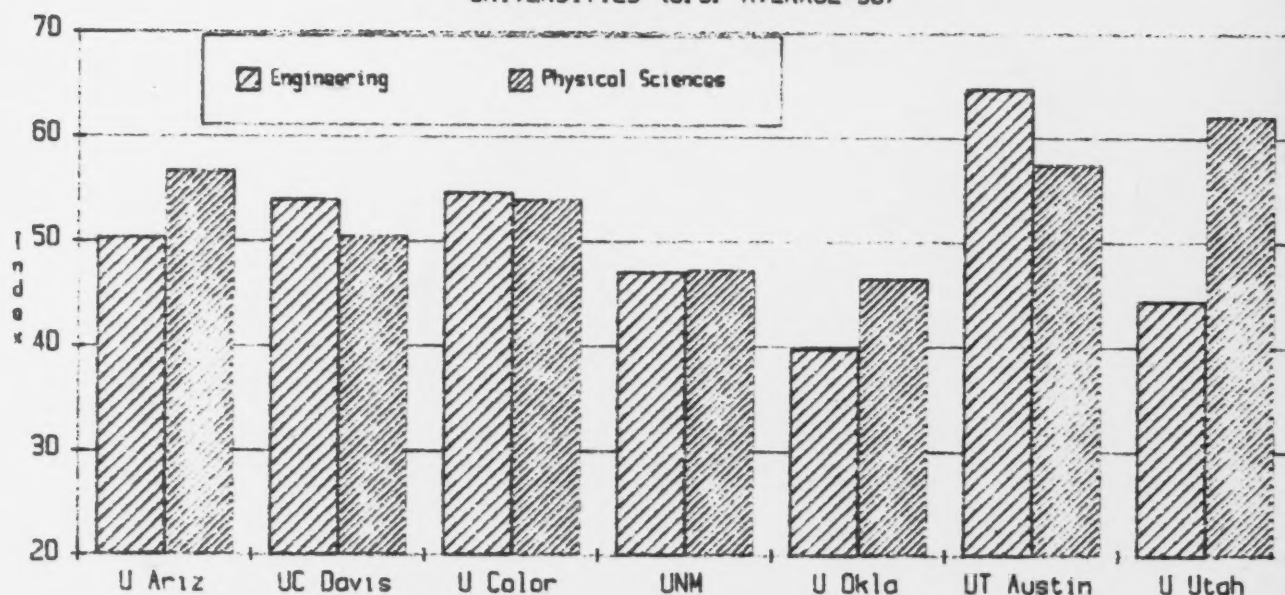
State	Appropriations and Tuition Per Student	Appropriations and Tuition Per Student Relative to Financial Load
Arizona	90	85
California	97	113
Colorado	89	84
Nevada	92	103
New Mexico	104	87
Oklahoma	77	72
Texas	90	88
Utah	101	90

Source: Halstead, Kent, How States Compare in Financing Higher Education in 1984-85,
National Institute of Education, 1985.

The above chart indicates that combined tuition and appropriation for higher education in New Mexico has been above the U.S. average. However, the financial load or funding needs of higher education is high in New Mexico due to the large enrollment in four year institutions. When this is taken into account, support for higher education in New Mexico actually falls below the U.S. average.

The table to the left indicates funding support for higher education in the comparison states in 1984-85. Taking into account the financial load of the various systems, California has the best funded higher education system while Oklahoma provides the least support. New Mexico's support for higher education declines from 1st to 5th when the funding costs of the systems are considered.

RATING OF GRADUATE PHYSICAL SCIENCE AND ENGINEERING PROGRAMS FOR SELECTED WESTERN UNIVERSITIES (U.S. AVERAGE=50)



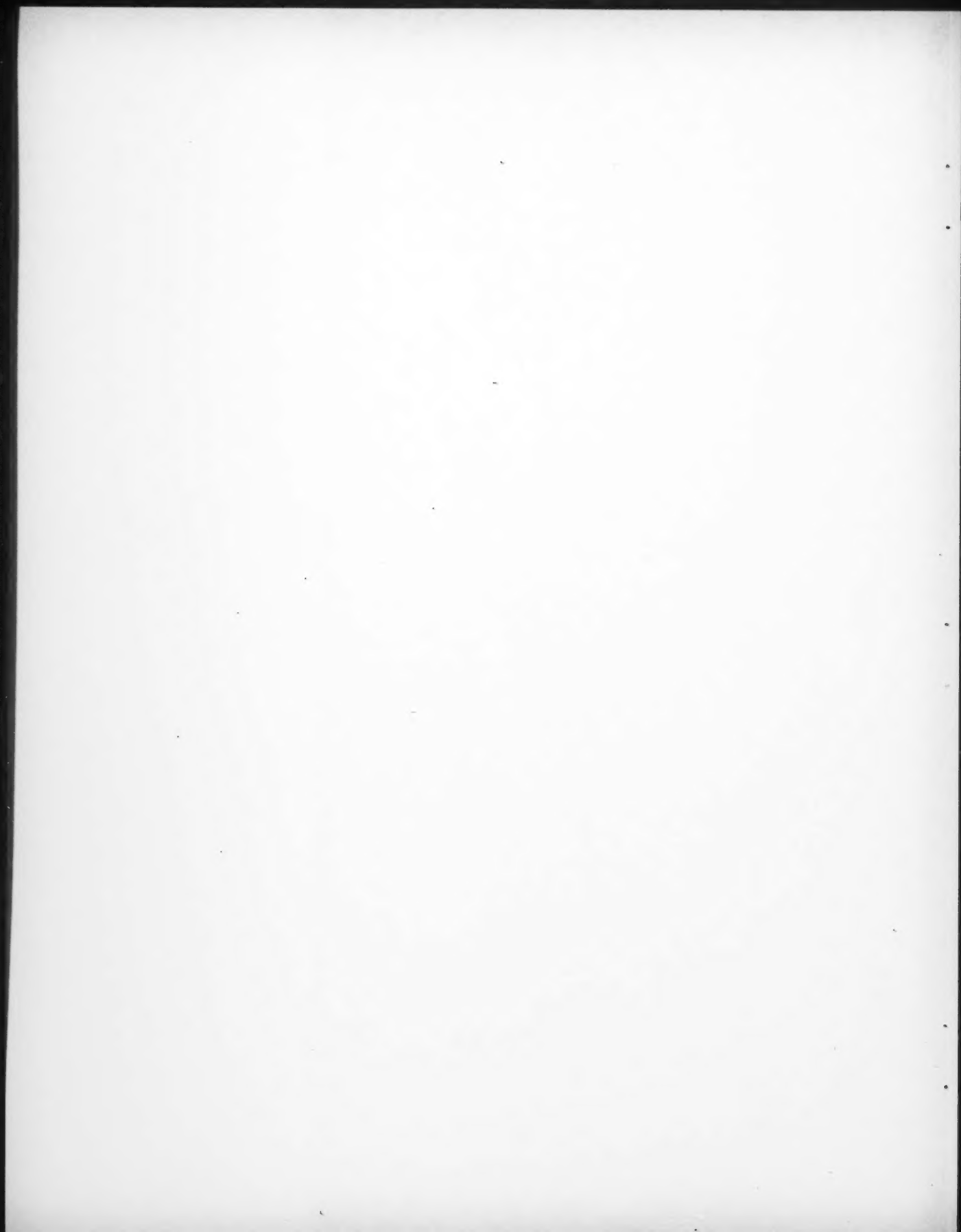
Rating university programs is an extremely controversial undertaking and the resulting rankings have been subject to much criticism. The chart above presents ratings for engineering and physical science departments. The engineering programs include civil and electrical engineering while physical sciences include chemistry, physics, geology and mathematics. The University of New Mexico rated below the national average and its neighboring research universities in these areas. These ratings were published in An Assessment of Research and Doctorate Programs in the U.S. (National Academy Press; 1982).

Rating of Undergraduate Education at Selected Western Universities

University	Number of Ranked Undergraduate Departments		Gourman Overall Academic Rating of Institution
	Humanities	Social Sciences	
U Arizona	7	5	4.04
UC Davis	4	5	4.70
U Color-Boulder	7	4	4.20
UNLV	0	0	3.14
UNM	4	2	3.90
U Okla	0	1	4.02
UT-Austin	16	8	4.61
UT-El Paso	0	0	3.11
U Utah	3	3	4.05

Although subject to enormous criticism, the Gourman Report is the most widely referenced rating of universities and university programs. The data in the table to the left summarizes some of the Gourman ratings for undergraduate programs at nine institutions. With regards to the number of ranked undergraduate programs in the humanities and the social sciences, UNM places fourth and sixth respectively among these comparison schools. Gourman's overall rating places UNM 7th among these nine universities.

Source: The Gourman Report-A Rating of Undergraduate Programs (1985), National Education Standards, Los Angeles, California.



QUALITY OF LIFE COMPARISON

1. OVERALL QUALITY OF LIFE
2. COMMUNITY- POVERTY, HOME OWNERSHIP
3. SOCIAL- DIVORCE, SUICIDE
4. HEALTH- DOCTORS, INFANT MORTALITY
5. EDUCATION AND POLITICAL PARTICIPATION
6. CRIME
7. TRANSPORTATION
8. CLIMATE
9. ENVIRONMENT
10. CULTURE
11. RECREATION

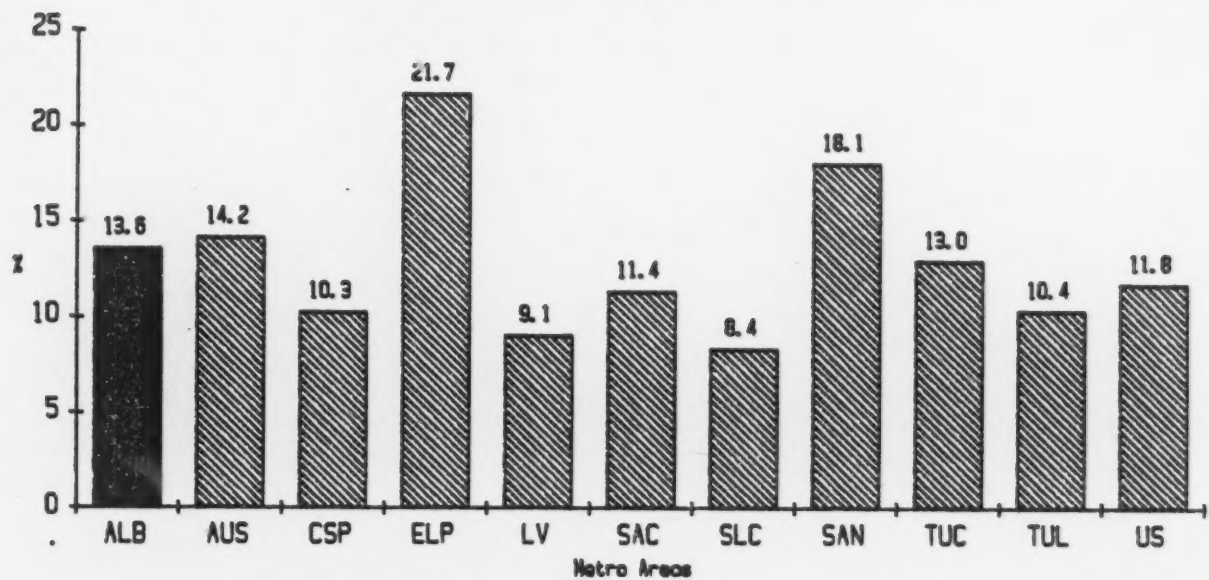
COMPOSITE QUALITY OF LIFE RANKINGS

	PLACES RATED	
	National Rank	Regional Rank
Albuquerque	21	1
Austin	162	8
Colorado Springs	151	7
El Paso	279	10
Las Vegas	230	9
Sacramento	113	6
Salt Lake City	71	2
San Antonio	82	4
Tucson	79	3
Tulsa	100	5

The "Places Rated" study of quality of life uses the following nine categories: climate and terrain, housing, health care and environment, crime, transportation, education, arts, recreation, and economics. Numerous indicators are measured within each category and these are essentially weighted by points, giving a subtotal score for each category which is then added for a composite score.

Albuquerque ranks 21st among 329 metropolitan areas considered by "Places Rated." Four of our comparison urban areas (Albuquerque, Salt Lake City, Tucson, San Antonio) rank in the top quartile nationally while only El Paso places in the bottom quartile. Albuquerque rates in the top quartile nationally for climate, health/environment, transportation, education, arts, and recreation. The city, however, ranked only in the top half for economics, and low on housing (because it is fairly expensive) and near the bottom for crime due to its high rate. These metropolitan areas scored rather well for arts, recreation, transportation, and economics but rated poorly for housing, education, and crime.

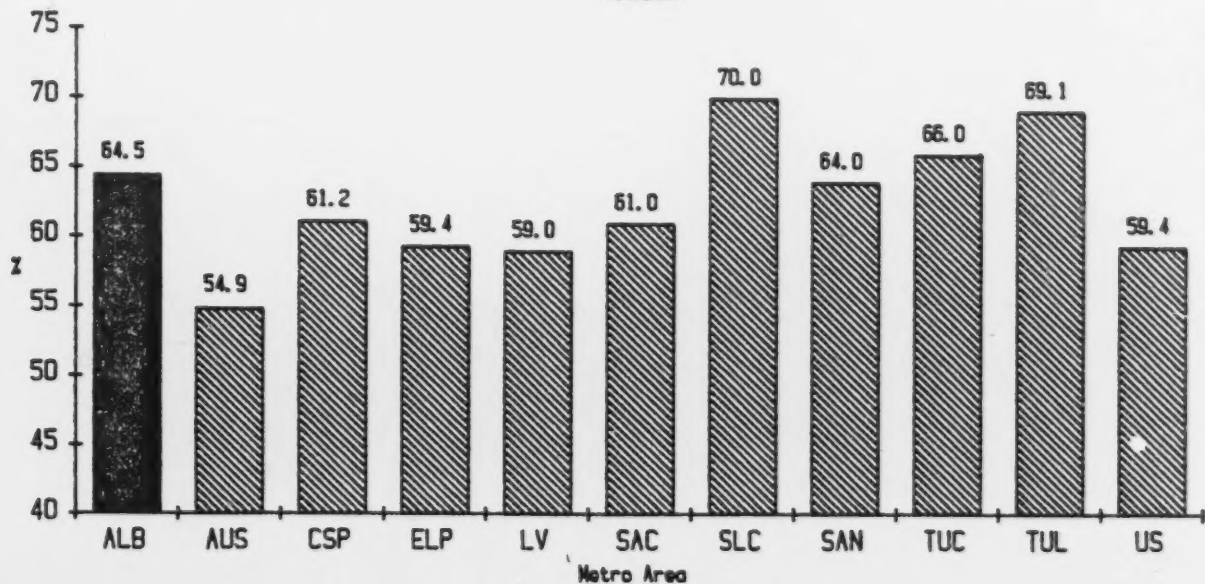
PERCENT OF PERSONS IN POVERTY (1980)



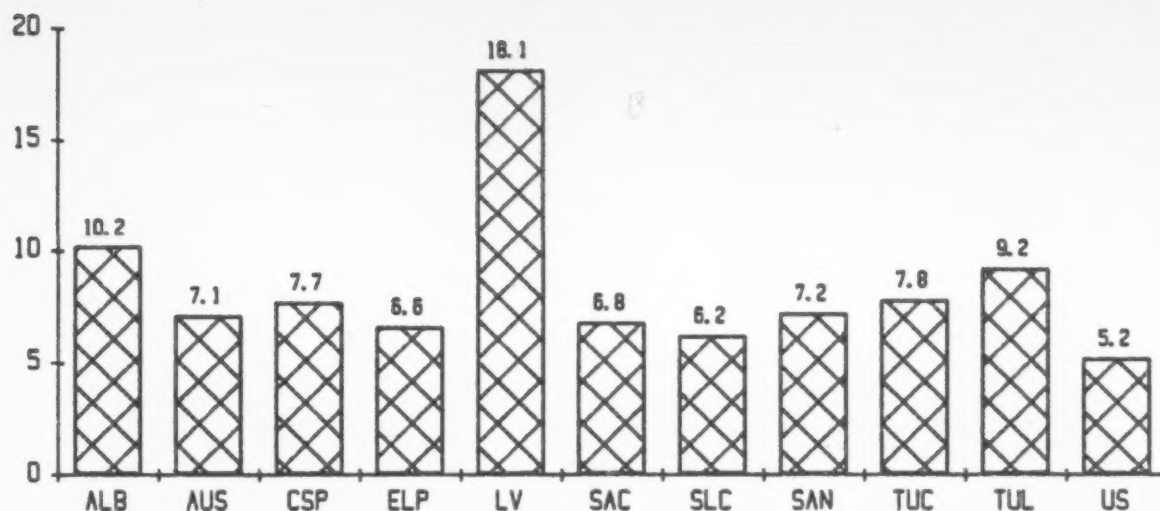
The poorest communities, as measured by the percent of persons in poverty, are El Paso and San Antonio. Salt Lake City has the fewest people below the poverty level.

As for home ownership, Salt Lake has the highest proportion of owner occupied housing units while the university-state government dominated community of Austin has the smallest proportion. Albuquerque SMSA (Bernalillo and Sandoval counties) ranks fourth among these communities with 64.5 percent of homes owner occupied. Data contained in these charts was obtained from the 1980 census.

PERCENT OWNER OCCUPIED HOUSING UNITS (1980)



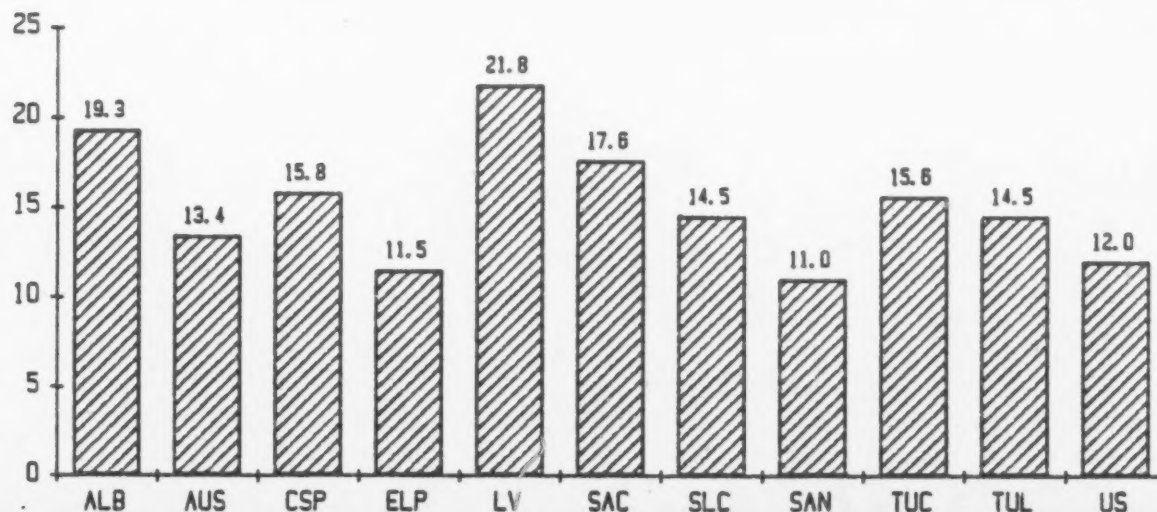
DIVORCE RATE PER 1,000 PEOPLE, 1980



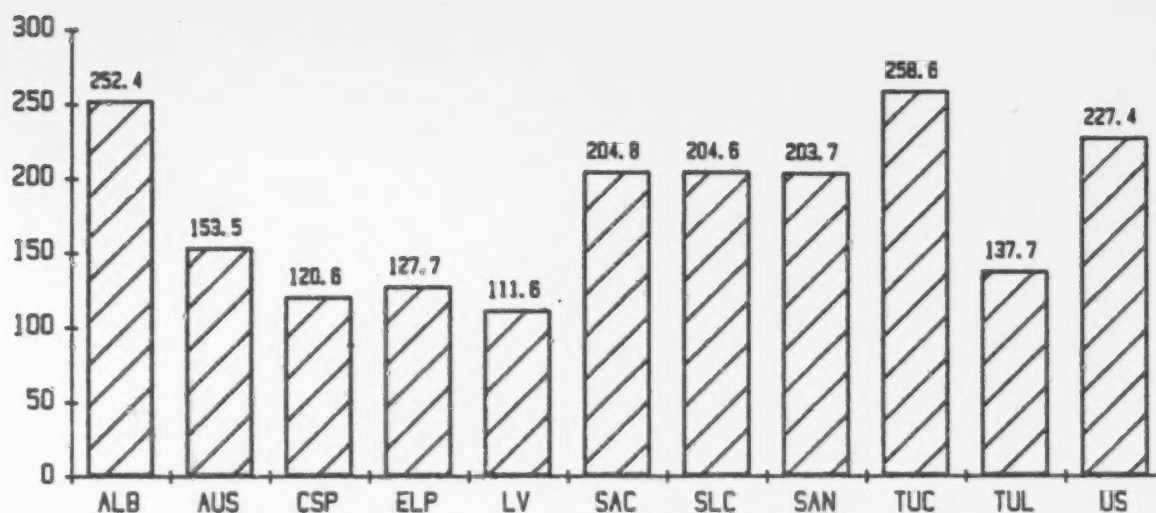
The divorce rate has been used as a measure of traditional family values and domestic contentment. The above chart depicts Las Vegas with the highest divorce rate per 1000 people and Salt Lake City with the lowest rate in 1980. The large rate for Las Vegas is distorted because of quick divorces obtained largely by Californians. Albuquerque experienced the second highest rate of divorce at 10.2 per 1000 people in 1980. Divorce rates for all comparative urban areas were considerably above the U.S. average, with Albuquerque's rate almost twice the nation's.

The suicide rate is a possible measure on social health. Since youth commit suicide more often, cities with a younger population may likely have a higher suicide rate. Among these communities Las Vegas ranks on top and Albuquerque places a solid second with 19.3 suicides per 100,000 people. Most of these cities had suicide rates in 1980 above the U.S. average. The data source on divorces and suicides for metropolitan areas is "Vital Statistics of the U.S."

SUICIDE RATE PER 100,000 PEOPLE, 1980



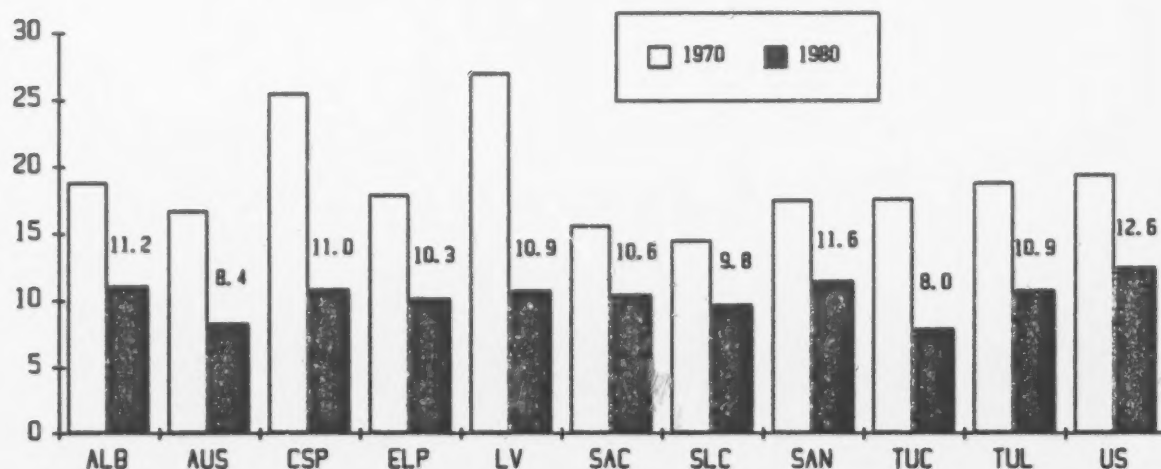
DOCTORS PER 100,000 PEOPLE, 1980



The number of doctors per 100,000 people has been used as a measure of medical care availability. Tucson in 1980 had the highest number of doctors at 258.6, with Albuquerque a close second at 252.4 doctors. Tucson and Albuquerque are the only comparative urban areas with doctors above the U.S. metropolitan average.

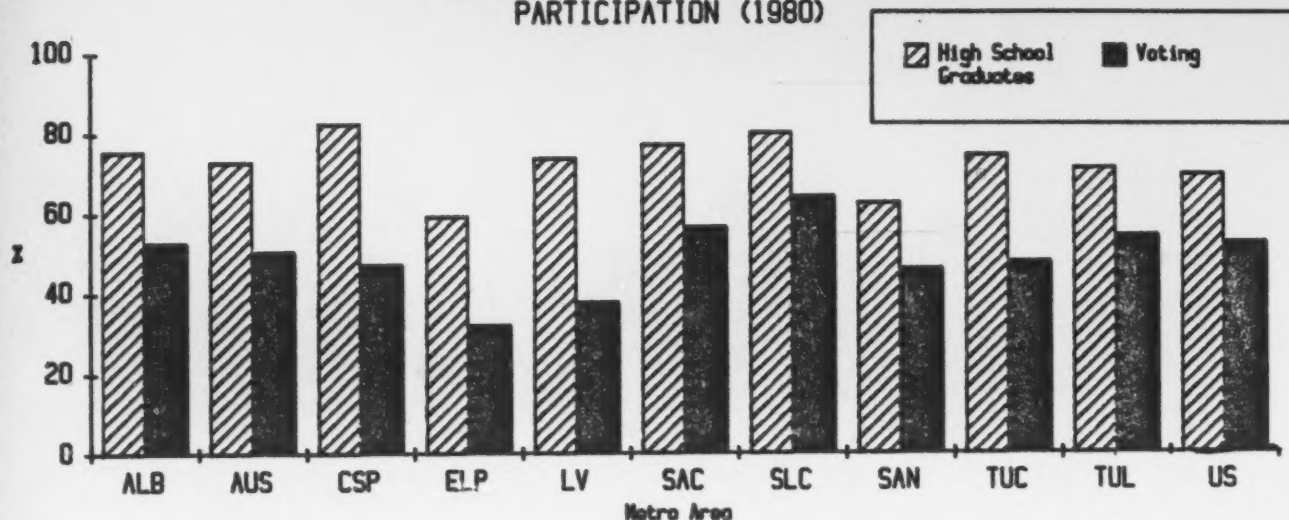
The infant mortality rate, a common measure on progress in health care, declined during 1970-80 for all these metros and the U.S. Las Vegas and Colorado Springs, two cities with the loftiest rates in 1970, improved most. San Antonio had the highest infant mortality rate in 1980 and Tucson had the lowest. Albuquerque's rate improved from 18.9 to 11.2 during 1970-80. Rates for all these cities improved relative to the U.S. metro average. The data source for both measures is "Vital Statistics of the U.S."

INFANT MORTALITY RATE PER 1000 LIVE BIRTHS (1970, 1980)



EDUCATIONAL LEVEL AND POLITICAL PARTICIPATION (1980)

68



All cities except San Antonio and El Paso have a larger proportion of their adult residents with high school degrees than the U.S. average. Over 80 percent of such persons have graduated from high school in Salt Lake City and Colorado Springs. As for college attendance, Albuquerque ranks second among these communities. Only in Austin, Texas has a greater percentage of adults completed 4 or more years of college.

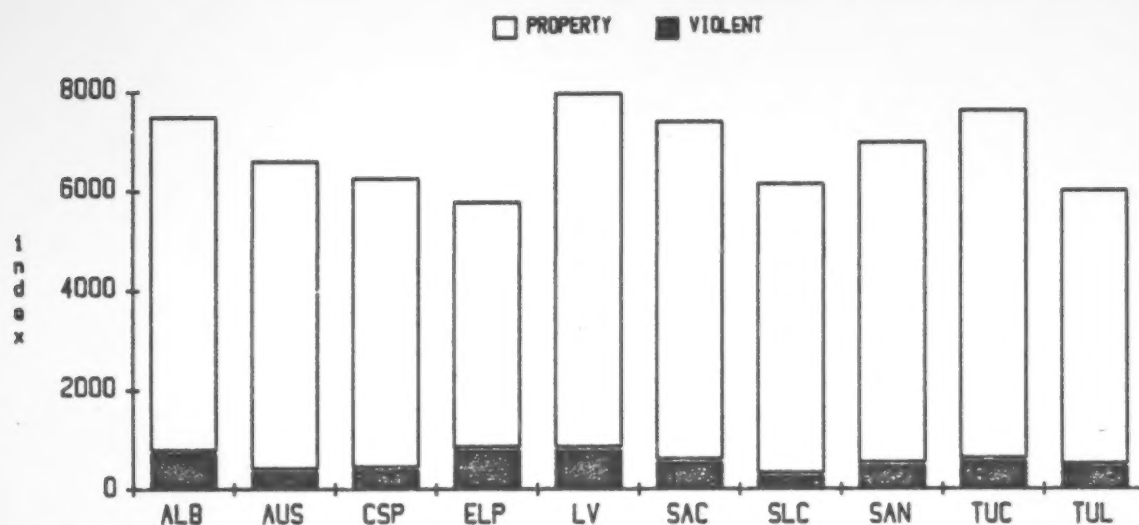
Political participation, as measured by voting in the 1980 presidential election, is highly correlated to the educational attainment of the population. Salt Lake ranks highest in the percent of adults voting (64.4) while the El Paso, San Antonio and Las Vegas urban areas experience the lowest voting participation rate.

Education and Political Participation Data

Metropolitan Area	High School Graduates (% Persons 25 or Over)		Completion of Four Years or More of College (Persons 25 or Over)		Voting in the 1980 Election (% 18 or Over Population)
	1970	1980	1970	1980	
Albuquerque	66.2	75.8	16.9	22.2	53.0
Austin	60.9	73.1	19.5	28.1	50.8
Colorado Springs	72.9	82.7	16.5	20.8	47.5
El Paso	51.1	59.5	11.4	14.0	32.2
Las Vegas	65.2	74.0	10.0	12.6	38.0
Sacramento	65.1	77.4	13.3	19.7	56.9
Salt Lake	68.5	80.5	15.0	20.3	64.4
San Antonio	46.8	62.7	10.2	15.7	46.2
Tucson	63.1	74.6	15.7	20.7	48.1
Tulsa	58.2	71.3	11.7	16.6	54.5
US (All Urban Areas)	55.2	69.7	12.1	18.8	52.6

Source: General Social and Economic Characteristics, Individual State Reports and U.S. Summary, U.S. Department of Commerce, Bureau of Census (education). State and Metropolitan Area Data Book, 1982, U.S. Department of Commerce, Bureau of Census (voting). Albuquerque Metro Area includes Bernalillo and Sandoval counties.

METROPOLITAN CRIME INDEX, 1983



The total crime rate decreased among all comparative cities from 1975-83, except in San Antonio where it increased. Las Vegas in both years ranked first for violent and property crime rates. The violent crime rate fell in Las Vegas and Salt Lake City but increased for all other cities, with El Paso's rate doubling. The property crime rate, by contrast, declined in all areas except in San Antonio and Tulsa. Albuquerque's total crime rate fell from 1975-83, as the property crime rate dropped while the violent crime rate rose, and the city's rank climbed from fourth to third.

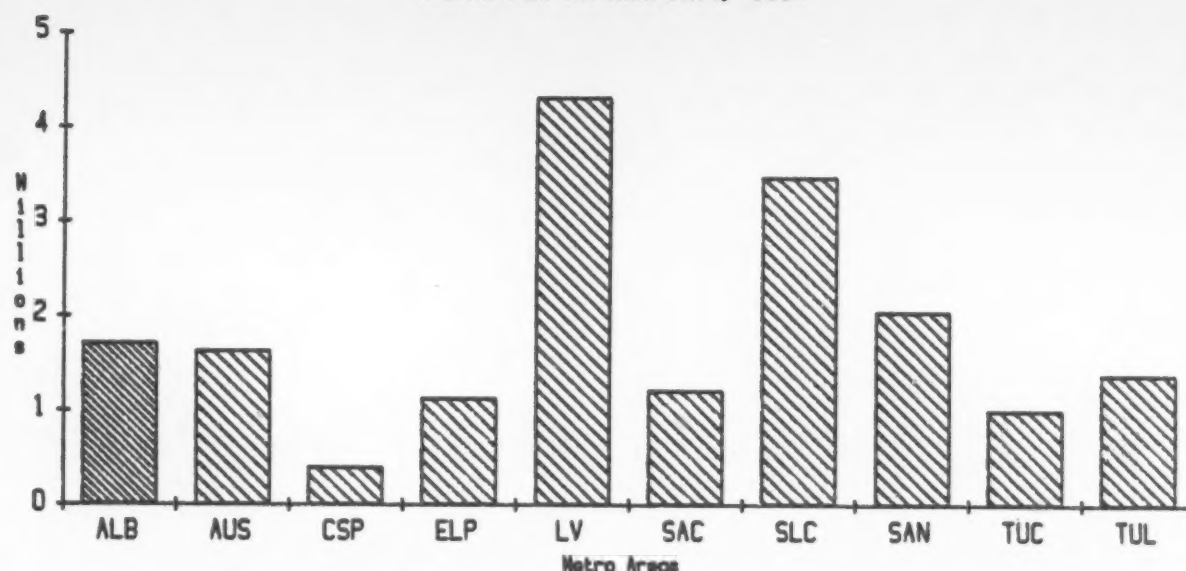
For combined county/local police protection expenditure per capita, Las Vegas, with the highest crime rate, spent the most in both 1978 and 1983. Austin, though, fell far behind in expenditures during 1983. Albuquerque/Bernalillo County expenditures were \$46.73 per capita, ranking third in 1983, up from fourth in 1978. Four areas, including Albuquerque, with high crime rates also spent more per capita for police protection.

CRIME INDEX PER 100,000 POPULATION, by MSA, (1975, 1983)

	Total		Violent		Property		County/Local Per Capita Expenditure on Police Protection Services	
	1983	1975	1983	1975	1983	1975	1983	1978
Albuquerque	7508.8	7861.1	766.3	732.3	6742.5	7128.8	76.26	46.73
Austin	6618.3	6807.4	396.3	358.7	6220.0	6448.7	23.81	35.31
Colorado Springs	6283.1	na	431.0	na	5852.1	na	64.47	33.93
El Paso	5807.3	6516.9	832.7	431.2	4974.7	6085.7	52.02	33.71
Las Vegas	7994.1	10286.4	837.3	988.8	7156.7	9297.7	113.81	84.07
Sacramento	7423.5	8026.4	590.8	556.7	6832.7	7469.7	79.00	54.96
Salt Lake City	6176.1	6578.8	310.3	321.7	5865.8	6257.5	70.14	45.98
San Antonio	7011.2	6631.5	521.0	462.6	6490.2	6168.9	50.37	35.82
Tucson	7655.2	9224.7	604.9	594.9	7050.3	8629.8	80.60	65.23
Tulsa	6043.8	5781.6	485.7	379.6	5558.1	5402.0	62.48	34.67

Sources: Crime in the U.S., Federal Bureau of Investigation, U.S. Department of Justice, 1976, 1984.
 Government Finances, Local Government Finances in Selected Metropolitan Areas and Large Counties: 1977-78, 1982-83; Bureau of the Census.

NUMBER OF DEPARTING PASSENGERS AT METROPOLITAN AIRPORTS, 1984



The Las Vegas and Salt Lake City airports serve the most passengers. The small number of passengers using Colorado Springs is related to the proximity of Stapleton International (Denver). Albuquerque International Airport ranks fourth in activity among these cities.

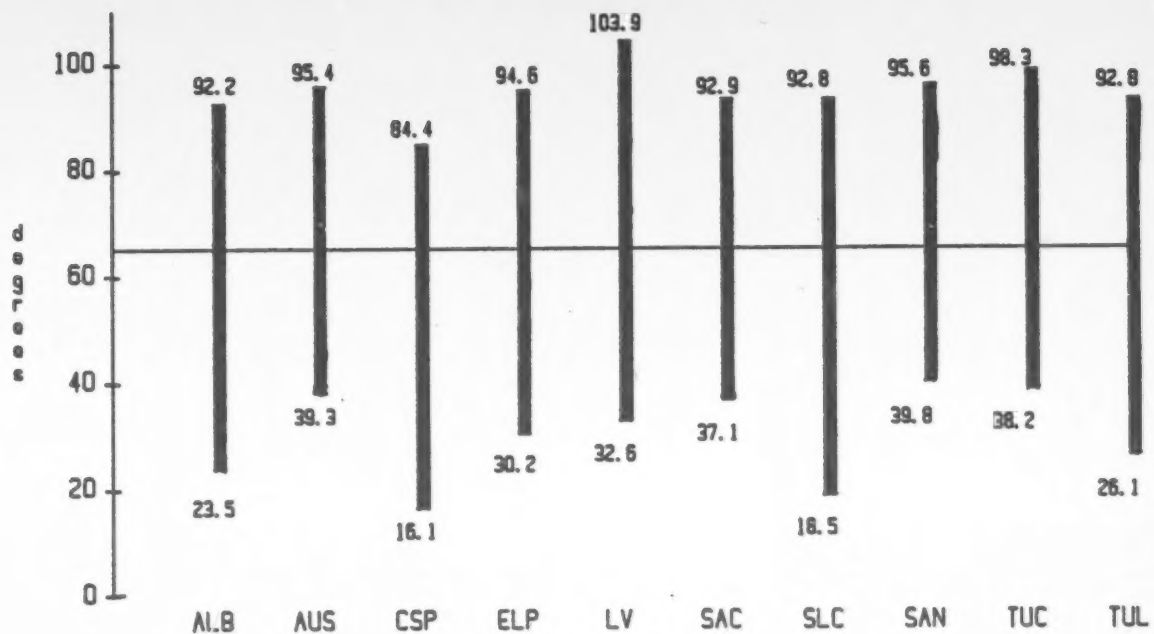
The table below also provides information on commuting transportation. With regards to the mean travel time to work, commuters in all ten communities take less than the U.S. average of 22.5 minutes. Workers in these comparison cities use public transportation less than the U.S. average.

Transportation Data

Metropolitan Area	# Departing Passengers at Major Airport, 1984	Mean Travel Time to Work, 1980 (minutes)	Work Force Utilization of Public Transit, 1980 (Percent)
Albuquerque	1,724,428	18.9	2.5
Austin	1,643,714	19.0	3.1
Colorado Springs	409,981	17.8	2.0
El Paso	1,137,129	19.3	3.9
Las Vegas	4,322,838	18.9	2.2
Sacramento	1,222,395	19.5	3.5
Salt Lake	3,477,711	20.1	4.8
San Antonio	2,053,088	20.4	4.6
Tucson	1,012,189	21.1	3.0
Tulsa	1,393,037	20.2	2.0
US	327,771,002	22.5	9.5

Source: FAA Statistical Handbook of Aviation, 1985 (Departing Passengers); General Social and Economic Characteristics, Individual State Reports and U.S. Summary, Bureau of Census (travel time, public transit). The U.S. data for travel time and public transit is the mean value for urbanized areas. Albuquerque Metro Area is Bernalillo and Sandoval counties.

AVERAGE EXTREME TEMPERATURES FOR JANUARY/JULY



The above chart displays seasonal temperature variance over a thirty year period. Temperatures shown for January are the average of daily lows and for July the average of daily highs. Las Vegas at 103.9 degrees is hottest and Colorado Springs at 84.4 degrees is coolest in July. The warmest cities during January are San Antonio and Austin, while Colorado Springs is again coldest. Salt Lake City, with its northerly location and high altitude has the greatest seasonal temperature variation. Albuquerque is relatively cool and its high altitude and semi-aridness also give it wide variations in summer and winter temperatures.

Desert cities have greater daily temperature variance and daily minimum temperatures are lower for mountain cities. Albuquerque, moreover, has low humidity such that the city's heat is less extreme.

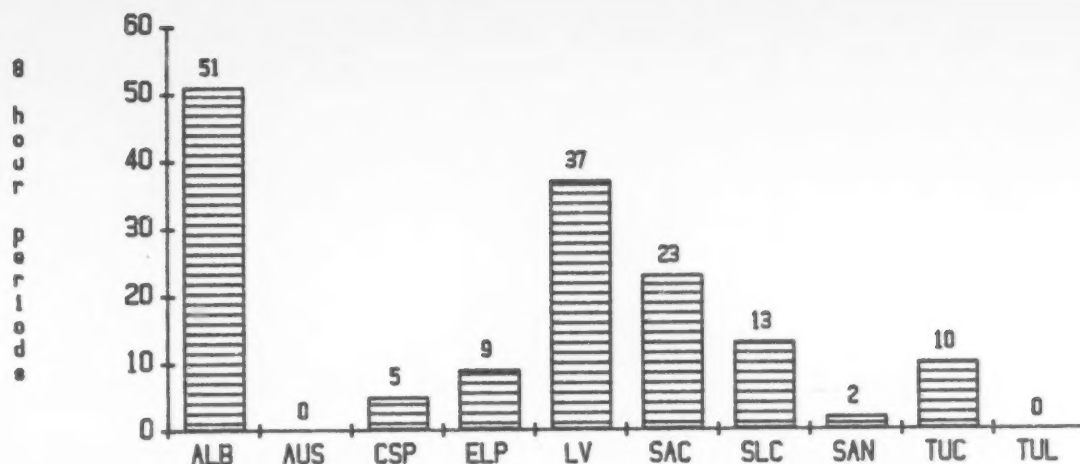
NORMAL CLIMATIC CONDITIONS IN SELECTED WESTERN CITIES

	COOLING DEGREE DAYS	HEATING DEGREE DAYS	AVERAGE RELATIVE HUMIDITY %	ANNUAL PRECIP INCHES	ANNUAL SNOWFALL INCHES
Albuquerque	1254	4292	28	7.77	10.6
Austin	2914	1737	56	32.49	1.0
Colorado Springs	501	6473	39	15.73	40.6
El Paso	2096	2678	27	7.77	4.8
Las Vegas	3029	2601	20	3.76	1.5
Sacramento	1198	2843	46	17.22	0.1
Salt Lake City	981	5983	42	15.17	58.1
San Antonio	2983	1570	55	27.54	0.4
Tucson	2840	1752	25	11.05	1.3
Tulsa	2043	3680	56	36.90	9.1

Source: Comparative Climatic Data for the U.S. through 1982, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, 1983.

Note: Normal weather data is averaged over a thirty year period, from 1941-70. Degree day data are used to calculate energy amounts needed to maintain comfortable indoor temperature levels. Daily values are computed from each day's mean degree that's below or above 65 degrees counts counts as one degree day.

**PERIODS EXCEEDING NATIONAL AIR QUALITY STANDARD
CARBON MONOXIDE (1982-83 AVERAGE)**



The above chart shows that Albuquerque leads its neighbors, recording an average of 51 violation periods for carbon monoxide (CO) during 1982-83. Eight comparison cities exceeded at least once CO air quality standards. Reported violations are the highest recorded by monitoring stations in the metropolitan area.

The table below lists other air pollutants. Ozone (O₃), which is more geographically widespread than locally concentrated CO pollution, results from a photochemical reaction between sunlight and pollutants. Sacramento had the most ozone violations while Albuquerque experienced none.

As another environmental measure, toxic waste sites designated by the EPA pose serious health risks via contaminated groundwater. Salt Lake City and Sacramento have the most sites. Albuquerque's sole site is in the South Valley where three wells were closed.

AIR POLLUTION and HAZARDOUS WASTE SITES BY MSA

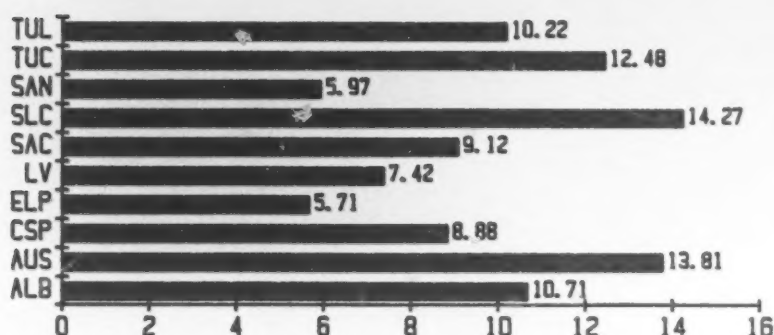
	Periods Exceeding National Air Quality Standards (1982, 1983 two year average)			Hazardous Waste Sites 1984
	CO	O ₃	TSP	
Albuquerque	51	--	2	1
Austin	--	--	--	0
Colorado Springs	5	--	2	0
El Paso	9	3	5	0
Las Vegas	37	1	2	0
Sacramento	23	11	--	6
Salt Lake City	13	4	--	5
San Antonio	2	2	1	0
Tucson	10	1	1	1
Tulsa	--	4	--	1

Sources: Air Quality Data, Environmental Protection Agency, 1983, 1984.

National Priorities List, Environmental Protection Agency, 1984.

Notes: TSP refers to total suspended particles. Las Vegas data is for 1993 only.

COUNTY/LOCAL LIBRARY \$ EXPENDITURE PER CAPITA (1983)



Cultural amenities, which are difficult to quantify, are an important measure of an area's quality of life. Performing arts groups and festivals are an integral part of urban life. Major museums and historic places enrich residents and library resources educate the populace. The above chart shows Albuquerque placing fourth in per capita library expenditures, thus the city is making an effort to catch up.

Albuquerque fluctuates in its cultural offerings. Comparatively, the city's strengths are the larger amount of radio stations and major museums in which it ranks first. The city, however, ranks less respectably for performing arts groups and festivals, and is last in volumes of public library books per resident. Residents of some cities can avail themselves to cultural facilities in nearby cities. Albuquerqueans, for instance, can partake in cultural events in Santa Fe, thereby enriching their cultural choice. Yet, tough competition prevails in the culture category, as eight of our comparative cities (according to "Places Rated") rank in the top quartile nationally.

CULTURAL INDICATORS

	ALB	AUS	CSP	ELP	LV	SAC	SLC	SAN	TUC	TUL
Folk and Music Festivals	1	0	0	1	2	2	0	1	3	0
Universities with Arts Degrees	1	1	1	1	0	1	1	2	1	2
Performing Arts Groups	3	5	3	7	3	7	7	4	4	6
Major Museums	3	1	1	1	0	0	2	1	2	2
Radio Stations	19	10	11	17	11	14	14	20	14	12
Volumes of Library Books per Population Served	0.98	2.10	1.51	1.39	1.14	1.48	1.39	1.30	1.21	1.18

Sources: Music festivals, radio stations -- 199 American Cities Compared, Information Publications, 1984.

Folk festivals, universities with arts degrees, performing arts groups, major museums --

Places Rated Almanac, Boyer and Savageau, Rand McNally, 1985.

Volumes of library books -- American Library Directory, R.R. Bowker, 1985.

Library expenditure per capita -- Governmental Finances, Local Government Finances in Selected Metropolitan Areas and Large Counties: 1982-83, Bureau of the Census.

Notes: Folk festivals are reoccurring and noncommercial, and music festivals are performed on a continuous basis. Performing arts groups perform on a regular schedule and meet certain criteria regarding size, performances, and professionalism. These groups include ballet and dance companies, theatre companies, instrumental music groups, vocal and opera groups, and symphony orchestras. Major museums must meet the American Museum Association's definition and "Places Rated's" criteria for inclusion.

RECREATION

Metropolitan Area	Amusements and Sports (#)	Golf Courses (# Public and Private)	Good Restaurants (#)	Square Miles of Water	Forest and Park Acreage (000)	Exp. Per Capita on Parks/Rec	Eating and Drinking Sales Per Capita
Albuquerque	5	11	9	0	76.6	\$56.96	\$628
Austin	1	19.5	6	35.3	0.0	\$52.94	\$773
Colorado Spgs	5	15.5	13	2.1	100.7	\$32.40	\$572
El Paso	3	7.5	0	0	0.1	\$19.83	\$479
Las Vegas	6	11.5	44	209.8	1475.6	\$103.03	\$739
Sacramento	3	29.5	15	174.5	809.0	\$37.00	\$642
Salt Lake	7	27	20	477.5	201.5	\$45.05	\$373
San Antonio	5	21	35	3.7	0.5	\$35.96	\$642
Tucson	5	18	7	1.1	1212.1	\$45.63	\$518
Tulsa	7	20.5	24	123.7	0.0	\$36.79	\$625

Sources: Amusements and sports, sq. miles of water, forest/park acreage ---- Places Rated Almanac, Boyer and Savageau, Rand McNally, 1985. Amusements and sports include: zoos, aquariums, theme parks, auto racing tracks, pari-mutual betting, pro sports teams, NCAA Division I football and basketball.
 Golf courses ---- 199 American Cities Compared, Information Publications, 1984.
 Good restaurants ---- Mobil Travel Guide, 1984.
 Parks/recreation expenditure per capita ---- Governmental Finances, Local Government Finances in Selected Metropolitan Areas and Large Counties, 1982-83, Bureau of the Census.
 Eating/drinking sales per capita ---- 1985 Survey of Buying Power, Sales and Marketing Management.

The above table shows various recreation indicators. Square miles of water and national and state forest/park acreage take advantage of natural resources. Albuquerque borders the Cibola National Forest but has no body of water available for use as a recreational resource (the Rio Grande is not included in this data).

As for the other recreational categories, Albuquerque generally places in the middle compared to the other cities. Las Vegas clearly stands out with regards to the number of highly regarded restaurants. Albuquerque does excel in expenditures on parks and recreation, placing second among these comparison areas.

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